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Compiled by Our Staff From Dispatches  
LONDON — Elements of the multinational peacekeeping force leaving Beirut on Wednesday after a U.S. announcement that it would withdraw its Marines to warships offshore.

Britain withdrew its forces, and Italy announced a "gradual withdrawal" of its contingent.

France, the other West European country with a peacekeeping contingent in Beirut, said there were no immediate plans to withdraw its troops.

France, Italy and Britain repeated their desire for replacement of the multinational peacekeeping force by one from the United Nations.

President Ronald Reagan an-

## Marines Said to Plan Pullout Over 30 Days

nounced Tuesday night that the U.S. Marine contingent in Beirut would be redeployed to U.S. warships off the Lebanese coast, but the Marines remained at their post Wednesday at Beirut International Airport and no timetable for their departure had been announced.

White House sources told The Washington Post said that 400 to 500 Marines would be withdrawn by the end of this month. Other administration sources said the bulk of the U.S. troops could be out within 30 days.

Mr. Reagan also said that he would "vigorously accelerate" training for the Lebanese armed forces and speed up delivery of military equipment "when the government of Lebanon is able to reconstitute itself into a broadly based representative government."

In Washington, Howard H. Baker Jr. of Tennessee, the Senate Republican leader, said Wednesday the President Amin Gemayel of Lebanon had asked to have the U.S. Marines removed.

He said it was his impression

that Mr. Gemayel thought the removal of the Marines "might stabilize his government somehow."

This was status of the European share in the multinational force Wednesday evening.

Britain withdrew its 115-man force from its base in Beirut's southern suburbs and flew the men and their vehicles to a navy ship offshore, where officials said they were to wait "until the situation becomes clearer."

In Italy, Defense Minister Giovanni Spadolini said that country's contingent, recently cut from 2,400 men to 1,400, would be reduced further, with a view to withdrawing it entirely when a satisfactory substitute could be found.

(Continued on Page 2, Col. 7)

Compiled by Our Staff From Dispatches  
BEIRUT — The U.S. battleship New Jersey fired its 16-inch guns at artillery in Syrian-held territory in Lebanon on Wednesday, the day after President Ronald Reagan ordered the withdrawal of the Marine peacekeepers from Beirut.

"We have not given up hope, but it is an unsettled situation at the present time," said the commander of U.S. ground forces in Beirut, Brigadier General James Joy.

A Lebanese government official said President Amin Gemayel met for a second day with the U.S. Middle East envoy, Donald H. Rumsfeld, as diplomatic efforts to end the Lebanese crisis continued. The official said Mr. Gemayel later received parliamentary leaders in

## Battleship Hits Artillery; Gemayel Continues Talks

his efforts to form a cabinet of national unity to replace the government that resigned over the weekend.

After six days of fighting, however, there was little chance of compromise between the Christian president and the Muslim opposition militias. Several thousand Lebanese soldiers have defected to the opposition.

Around 1,200 Marines remained dug in at their Beirut International Airport base. General Joy said he had received no orders to withdraw

immediately, although 253 Marines, described as technical personnel, were taken by helicopter to warships Tuesday following the Muslim militia takeover of West Beirut.

Three U.S. Navy helicopters evacuated an estimated 45 "nonessential" U.S. diplomats and family members from the seafloor British Embassy building where U.S. mission offices are located. Thirty-nine Americans were evacuated Tuesday.

As part of the decision to evacu-

ate the Marines from their positions, Mr. Reagan also authorized the U.S. 6th Fleet to bombard Syrian positions in Lebanon if the Syrians fired on Beirut or the Marines.

The Marine spokesman, Major Dennis Brooks, said the 16-inch guns of the New Jersey, the only operational battleship in the world, began firing at 1:25 P.M. local time. Eight hours later, the ship was still firing.

In Bridgetown, Barbados, Secretary of State George P. Shultz said U.S. forces were in essence firing at will on positions in Syrian-held Lebanon.

Asked at a news conference whether U.S. forces were operating

(Continued on Page 2, Col. 6)

## U.A.E. Aide Is Slain in Paris Street

Compiled by Our Staff From Dispatches  
PARIS — A gunman killed the ambassador of the United Arab Emirates outside the diplomat's Paris home Wednesday. It was the second killing of a Middle Eastern political figure in the city in less than 24 hours.

There was no immediate claim of responsibility.

Police said the ambassador, Khalifa Ahmed Abdel Aziz al-Mubarak, was shot in the left temple as he left his apartment building on the Avenue Charles Floquet, a few hundred yards from the Eiffel Tower. The gunman fired once and fled on foot, according to Mr. Mubarak's chauffeur, who was unharmed.

On Tuesday, unidentified gunmen assassinated an exiled Iranian general, Gholam Ali Oveisi, and his brother on a Paris street. Both men were shot in the head.

Mr. Mubarak, 38, underwent emergency surgery but died four hours after being shot, a hospital spokesman said.

Police said witnesses described the gunman as being about 35 years old, wearing a blue blazer and white sports shoes. Officers said they had recovered two shell casings at the scene from a 7.65mm semi-automatic pistol.

The United Arab Emirates Embassy said the ambassador was married and the father of two children. They declined further comment.

French External Relations Ministry officials said Mr. Mubarak had been ambassador to France since 1980. The ministry condemned the shooting as an "odious act" and said it would do everything possible to "punish the guilty."

The ambassador's chauffeur, Nair Ravidran, 40, said Mr. Mubarak was not accompanied by a bodyguard. Mr. Ravidran said that before getting into the car, the ambassador "asked me to go back to the building and find his wife's chauffeur." He added, "At that moment, a man who looked like an Arab type, about 35 years old, pulled a small pistol from his pocket, walked up behind him and fired one shot point-blank before running in the direction of the Seine."

The chauffeur said: "I chased him and he shot at me while running, but he missed. He then disappeared around a corner. So I went back to the ambassador, who was lying in a pool of blood."

Police said the attack Wednesday was similar to Tuesday's shooting. The circumstances are almost identical, a police spokesman said. "Even the initial description of the attacker appears to correspond to a suspect in the attack on the Iranians."

Police said two men were involved in the killing of the Iranians. (AP, UPI)



A Shiite Muslim militiaman tore down pictures of President Amin Gemayel on Beirut's Hamra Street on Wednesday after Moslem forces took over the western half of the city.

## China Offers to Store Europe's Nuclear Waste

By Paul Lewis

New York Times Service

PARIS — The Chinese government is offering to store radioactive wastes from European nuclear reactors in remote areas of the country in return for Western currency.

The proposed deal could be worth as much as \$5.45 billion, according to a European official.

Last month, China signed a letter of intent to rent storage space for nuclear waste with three West German companies active in the nuclear supply business, European nuclear officials and industry executives said Tuesday.

China's prospective deal with the German companies raises questions relating to both the danger of nuclear proliferation and the nuclear imbalance between the industrialized and developing world.

It still must be approved by the West German government and it would need U.S. authorization if the spent reactor fuels sent to China were originally enriched in the United States.

Responding to reports of the arrangement, Michael Oppenheimer, senior scientist with the Environmental Defense Fund, a nonprofit lobbying group, said in New York: "It is in a sense blackmail of another country. You're asking another country that has more serious economic problems than your own to shoulder an environmental burden that you yourself would not tolerate."

The German companies are Nukem, a big nuclear supply company based in Hanau; one of its sub-

sidaries specializing in the transportation of nuclear material, called Transnuclear, and Alfred Hempel, a privately owned company specializing in trade with the Communist world.

None of these companies could immediately be reached for comment, but the same sources said that Nukem had confirmed to a West German news agency its signature on the letter of intent.

The Chinese have also approached the Swiss government suggesting that they take waste from Swiss reactors, these sources say.

Basically, China's plan to become a storehouse for Western nuclear waste raises the possibility it would acquire what nuclear experts call a plutonium mine, a large store of nuclear waste from which it might be able to extract plutonium, the main ingredient in nuclear bombs.

Under U.S. law, the Reagan administration must ensure that all nuclear materials originating in the United States remain permanently subject to safeguards administered by the Vienna-based International Atomic Energy Agency to guarantee that they are not used for military purposes. Most of the fuel used in German reactors comes from the United States.

In Washington, a spokesman for the Department of Energy, Philip D. Keif, indicated that the government would have no general objection to the plan.

"We would be sympathetic to the

(Continued on Page 2, Col. 1)

## South Africa Will Accept Nuclear Rules

By Allister Sparks

Washington Post Service

CAPE TOWN — Just a month before it is due to start up a reactor at its first nuclear power station, South Africa has pledged to conduct its nuclear affairs in accordance with "the spirit, principles and goals" of the nonproliferation treaty.

But it will still not sign the treaty, which requires a country to submit its nuclear installations to international inspection.

While South Africa is prepared to allow the power station at Koeberg near here to be inspected, it refuses to do so in the case of a pilot uranium enrichment plant that it has at its main nuclear energy establishment at Valindaba, near Pretoria.

This is because South Africa claims to have developed a new enrichment process and says its "proprietary" technology may be "compromised" if it opens the pilot plant to inspection.

J. Wynand L. de Villiers, chairman of South Africa's Atomic Energy Corp., said in a statement Jan. 31 that his country had been made aware of the concern of the United States about its nuclear intentions. He said the U.S. government had been given an assurance that South Africa would follow the principles set out in the nonproliferation treaty and the guidelines of the nuclear suppliers group.

That meant South Africa, which is the world's third largest uranium producer, would not sell any of it to countries that do not possess nuclear weapons without International Atomic Energy Agency or European Atomic Energy Community safeguards, Mr. de Villiers said.

Mr. de Villiers also said South Africa was prepared to resume talks with the IAEA's secretariat about inspections of a semi-commercial enrichment plant it is building at Valindaba, but not of its pilot plant there.

It was also prepared to resume talks with the United States "at any time," Mr. de Villiers added.

Mr. de Villiers' statement was warmly welcomed by the State Department, raising hopes here that it may lead to an easing of U.S. restrictions on nuclear sales to South Africa.

The United States has been refusing to meet the terms of a contract to supply South Africa with fuel for the Koeberg power station because of a 1978 law prohibiting the export of nuclear material to countries that do not sign the nonproliferation treaty.

However, the Reagan administration

(Continued on Page 2, Col. 1)

## Events in West Beirut Come Full Circle

By Thomas L. Friedman

New York Times Service

BEIRUT — Seventeen months after the Israeli Army forced the Palestine Liberation Organization out of West Beirut and suppressed the coalition of Lebanese Muslim leftist militias aligned with the PLO, events here have come full circle.

The old Muslim-leftist crowd that ruled West Beirut in the heyday of the Palestine Liberation Organization was putting itself back in charge Tuesday, led by the Druze and Shiite Muslim militias. Kalashnikovs came out from under mattresses, and old checkpoints were set up again, manned as usual by gunmen wearing three different kinds of uniforms.

Posters of the late Druze leader, Kamal Jumblatt, were being pasted back on cars and buildings around West Beirut before nightfall. The clique of leftist party leaders will undoubtedly dust off their old tables at the Bristol Hotel coffee shop, where the current Druze leader, Walid Jumblatt, in jeans and his black leather jacket, used to hold court.

Groups of leftist youths who had been lying low during the last months of army rule collected on street corners Tuesday afternoon, slapping hands like basketball players after a successful dunk shot. There was even talk that some senior PLO officials planned to move back into their old apartments.

When word spread through town Tuesday morning that the pro-Iranian Shiite Amal political and military organization and its allies had apparently taken over most of West Beirut from the Lebanese Army, many Americans here seemed to be gearing themselves to hop on the bandwagon.

It was not immediately clear whether the decision Tuesday represented a face-saving attempt by Mr. Reagan to defuse mounting domestic controversy about his policies by disengaging from Lebanon, or whether the president intends, as he implied in his redeployment order, to continue pursuing his goals through an alternative reliance on air and sea power.

But there is no doubt that a pivotal chapter in the Lebanese story — the role of the Marines as the central players in a step-by-step, deepening U.S. involvement in Lebanon's intercommunal war — is finished.

The Marine presence began with 800 men sent to Beirut on Aug. 25, 1982, to help evacuate Palestinian guerrillas besieged by the Israelis. In the ensuing months, it grew to an onshore force of 1,600, and its mission underwent frequent changes. Mr. Reagan described it at different times as vital to "the stability of the entire Middle East" and to "the cause of world peace."

Its origins go back to the summer of 1982 when Israel invaded Lebanon to destroy the Palestine Liberation Organization presence there.

"I heard several women joking about whether they should go out and buy chadors," said one American woman here, referring to the robes Iranian women wear for modesty.

Every battle in Beirut seems to chew up a new section of town and add another layer of rubble to the already impressive mound that archaeologists will sift through one day, trying to figure out what gripped this city during the late 20th century.

After Monday's battle, large, previously unscathed areas of West Beirut were battered by shellfire and bullets. Particularly hard hit was the neighborhood known as Ras Beirut, where the vast majority of the city's 2,000 to 3,000 American residents live and work.

"I don't like to see mass hysteria," said Eileen Knight, a kindergarten teacher at the American Community School. "But there are a lot of Americans here saying they want to be on the first boat out. Nobody knows who is doing what to whom anymore. That is what makes it so frightening. It is the culmination of what people here call the 'invisible enemy.'"

Of what happened Monday, only

the aftermath is clear. Dormitories and a museum at the American University were battered by artillery. Cars in parking lots were gutted by fire. Phone lines recently repaired by the U.S. Agency for International Development dangled at all angles along the streets. Here and there a passer-by could find a single shoe, probably left behind in someone's mad rush to escape.

The American Community School has a shell hole in one side in which a truck could fit comfortably. (Continued on Page 2, Col. 1)

## Marine Pullout: The End of a Gamble

U.S. Has Yet to Achieve Goal of Projecting Its Power

By John M. Goshko

Washington Post Service

WASHINGTON — President Ronald Reagan's decision to withdraw the U.S. Marines from Beirut ended an 18-month policy gamble that was intended to make the Marines the symbol of U.S. power to influence events in Lebanon.

Instead, it ended with the Marines having suffered heavy casualties and with Mr. Reagan's goal of a stable, pro-American Lebanon still out of reach.

It was not immediately clear whether the decision Tuesday represented a face-saving attempt by Mr. Reagan to defuse mounting domestic controversy about his policies by disengaging from Lebanon, or whether the president intends, as he implied in his redeployment order, to continue pursuing his goals through an alternative

native reliance on air and sea power.

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Its origins go back to the summer of 1982 when Israel invaded Lebanon to destroy the Palestine Liberation Organization presence there.

Specifically, the U.S. idea was that, with the PLO removed as a disruptive force in Lebanese life, the United States could take over as tutor to the young new Christian president, Amin Gemayel, and gradually transform Lebanon into a stable, pro-American state at peace with Israel.

If that could be done, Mr. Reagan and Secretary of State George P. Shultz reasoned, Lebanon would emerge as a shining example of the benefits to be derived from peaceful relations with Israel and serve as a springboard for Mr. Reagan's more ambitious plan for resolving the Arab-Israeli conflict.

The Marines quickly became central to the administration's hopes of exploiting what U.S. officials then confidently called "a window of opportunity in Lebanon." The original contingent that had gone to Beirut, with French and Italian troops, to help oversee the evacuation of PLO fighters in August 1982, was pulled out after only 16 days.

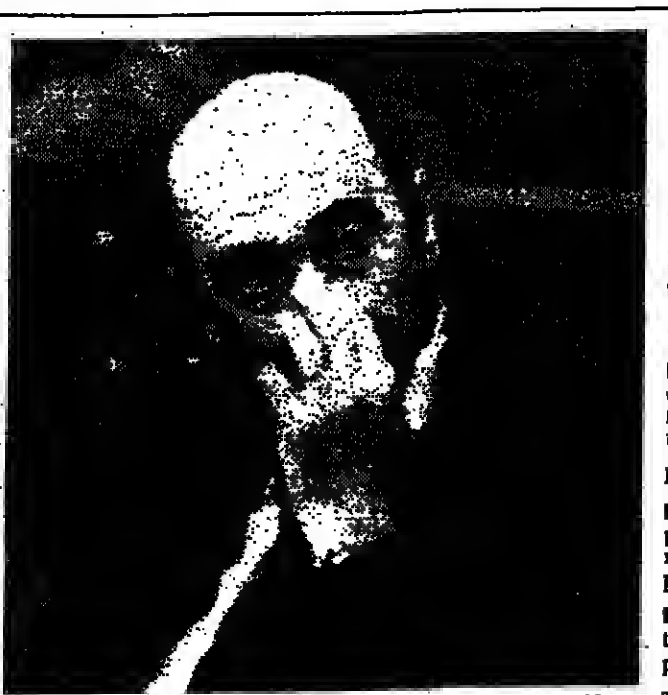
Then came the massacre of Palestinian civilians in Beirut by Lebanese Christian militia forces, and Mr. Reagan sent the Marines back as part of a multinational force that was to include troops from France, Italy and Britain.

At the time, he assured Congress that "there is no intention or expectation that the U.S. armed forces will become involved in hostilities." However, the agreement with the Gemayel government called for help to create an "environment which will permit the Lebanese armed forces to carry out

(Continued on Page 2, Col. 3)



Color Bearers in Sarajevo  
U.S. and Soviet flag-bearers were among the 60,000 spectators at Kosevo Stadium in Sarajevo Wednesday for ceremonies officially opening the Winter Olympic Games. Coverage on Page 13.



BUNDESTAG DEBATE — Defense Minister Manfred Wörner listened to debate in the West German parliament Wednesday on his firing of a general. Page 2.

## INSIDE

■ Three cosmonauts were launched toward an orbiting Soviet space station. Page 3.

■ A "blacklist" of Democrats and liberals was prepared by the staff of the USIA's speaker program. Page 3.

■ EC and Third World countries are opening a new round of talks on aid and trade. Page 3.

■ High levels of EDB, a pesticide linked to cancer, have been found in fruits imported into the United States. Page 5.

BUSINESS/FINANCE  
■ West Germany's cabinet approved measures tightening rules for banks' financial reporting and lending. Page 7.

■ U.S. Steel Corp. said it plans to file many unfair trade complaints shortly. Page 7.

TOMORROW  
■ Bob Swaim talks about being an American director of movies in France. In Weekend.





to be an end, which is why so many Lebanese and Americans simply cannot handle life in Beirut any more.

On Sunday night, President Amin Gemayyel's nationwide address was scheduled at the same time as the weekly showing of "Dallas," which is as big a hit in Lebanon as it is in America.

Whether by accident or design, the president's address kept being delayed until the show was over.

"It is very appropriate that 'Dallas' is being shown now," said a Lebanese Christian reporter for a news agency as he waited for the

UPI. Reuters. AP



# 3 Cosmonauts Head for Space Station

Compiled by Our Staff From Dispatches

MOSCOW — The Soviet Union launched its second manned space mission on Wednesday, sending three cosmonauts toward the orbiting Salyut-7 space station in a Soyuz-10 spacecraft.

The state-run television interrupted regular programming to show film of the launching at 3:07 P.M. Moscow time, from a base at Baikonur in Soviet Central Asia.

Tass said the mission was commanded by Colonel Leonid Kizim, 42, a veteran cosmonaut who is a test pilot with the Soviet Air Force. The flight engineer on Soyuz-10 is Vladimir Solovyev, 37, and the third crew member, identified as a cosmonaut researcher, is Dr. Oleg Atkov, 34, a cardiologist.

The news agency reported that the cosmonauts were "feeling fine" and that the Soyuz spacecraft was operating normally.

The agency said the crew planned to dock with the orbiting Salyut-7 space station, where a two-man crew spent 149 days last year beginning June 27. That crew, Vladimir Lyakhov and Alexander Alexandrov, returned to Earth on Nov. 23 at the end of a flight marked by an abortive docking and the explosion on the launching pad of a rocket bringing another crew.

Tass did not say when the Soyuz-10 would dock with the space station.

The current mission is Colonel Kizim's second in space. In 1980 he commanded the Soyuz-3 spacecraft and spent 12 days aboard Salyut-6, the predecessor of the current Soyuz space station. He was awarded the Order of Lenin for his part in the mission.

The other two men on Soyuz-10 are making their first space voyage. In keeping with past practice, Soviet reports did not say how long the crew would stay aboard Salyut-7. Tass said only that they would perform "scientific, technical, medical and biological studies."

But a broadcast earlier Wednesday by Radio Moscow indicated the cosmonauts would spend at least two months on Salyut-7. The radio noted that a Soviet-Indian flight is planned for mid-April and added that there would be Soviet cosmonauts aboard the space station to greet the Indians.

Two Soviet cosmonauts, Valentin Lebedev and Anatoly Beregovoy, set a record of 211 days in space aboard Salyut-7 in 1982.

At a pre-launching news conference that was broadcast afterward, one of the three cosmonauts on the current flight said it would be "a long mission," suggesting that it might exceed or equal the record.

Western space analysts said it was significant that the crew included a heart specialist, Dr. Atkov. They said he presumably would be able to carry out complex in-flight medical experiments.

Both Soviet cosmonauts and their American counterparts have been troubled by nausea and other physical ailments, particularly on longer flights.

(AP, Reuters)



The Soyuz-10 cosmonauts, at a preflight news conference Wednesday in Baikonur in Central Asia. From left are Vladimir Solovyev, Colonel Leonid Kizim and Dr. Oleg Atkov.

## Shuttle Crew Shooting a 360-Degree Movie

The Associated Press

CAPE CANAVERAL, Florida — The astronauts aboard the space shuttle Challenger began shooting a 360-degree movie Wednesday during a relatively easy workday that included experiments and relaxation.

On the ground, officials here watched bad weather that could delay, or once again cancel, the first shuttle landing in Florida.

The five astronauts are to conduct more teleresearch space walks on Thursday, hold a news conference from space Friday and return to Earth on Saturday.

However, a storm front headed toward Florida on Wednesday from the Gulf of Mexico, bringing the threat of rain and clouds to this area at the planned touchdown time Saturday morning.

The National Aeronautics and Space Administration would like to start landing shuttles here instead of in California to save money and cut down turnaround time between launches. To achieve that goal on this flight, the agency said, it might keep the Challenger crew in space an extra day and land here Sunday morning.

The weather prediction for a Sunday landing is good. After that there are no daylight touchdown opportunities here for several days, so the shuttle would be diverted to Edwards Air Force Base in California.

Mission control told the five astronauts that three Soviet cosmonauts had been launched Wednesday, saying: "That makes an all-time record, having eight folks in space at one time."

Wednesday's filming sessions, with a special 360-degree panoramic camera, were to shoot footage for a half-hour documentary, "The Space Shuttle: An American Adventure." They began with shots of Vance D. Brand, the mission commander, and Lieutenant Commander Robert L. Gibson, the shuttle's pilot, working at their control stations.

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## House Panel Backs 21 as Drinking Age

Sponsors Hope to Cut Traffic Deaths in U.S.

By Steve Farnsworth

Los Angeles Times Service

WASHINGTON — The House Energy and Commerce Committee has endorsed a bill that would in effect establish a nationwide drinking age of 21.

Supporters say the move would save thousands of lives by decreasing alcohol-related traffic deaths. The measure, approved Tuesday by a voice vote, now goes to the full House.

Critics of the bill contended that a higher drinking age would not stop young people from driving when intoxicated and that the bill might unconstitutionally infringe on the regulatory powers of the states.

A presidential commission on drunken driving recommended Dec. 13 that Congress deny federal highway funds to states with minimum drinking ages lower than 21. President Ronald Reagan endorsed the uniform drinking age but disapproved the withholding of highway funds to achieve the purpose.

There is overwhelming evidence that highway deaths involving alcohol rise when the drinking age is lowered and fall when the age is raised," said Norman F. Lent, Republican of New York.

He said the federal government has the right to establish a uniform drinking age under its power to regulate interstate commerce.

The bill would impose a fine of up to \$5,000 for the sale of liquor to anyone under 21.

States now establish minimum drinking ages, which range from 18 to 21. Nineteen states have set the age at 21. Many states lowered the drinking age when 18-year-olds were given the right to vote in 1971.

Much of the committee's discussion focused on a proposed amendment that called for suspending the driver's licenses of persons under 21 caught driving with even a low alcohol level in their blood. The amendment was defeated.

34 Terrorist Suspects Are Arrested in Turkey

The Associated Press

ANKARA — Security forces in the city of Aydin have arrested 34 suspected leftist terrorists, the martial law command announced Wednesday.

The announcement said that the arrests took place last month. The suspects belonged to two outlawed Marxist-Leninist organizations, the Revolutionary Left and the Turkish People's Liberation Party, the command said. They were charged with attempting to establish a Marxist dictatorship in Turkey.

"I suspect there probably were people turned down for political or ideological reasons," Mr. Lenkowsky said, because of "timidity, a fear of getting someone upset with you by putting the wrong person on."

"Some of the names on the blacklist would be exactly the sort of people we'd want to get traveling for us."

Mr. Lenkowsky denied allegations by some USIA sources that he pressed program officials on several occasions to recruit only conservative speakers.

USIA sources said the names of proposed speakers were circulated weekly to senior agency officials, many of whom sought to eliminate those they disliked.

A former official said, "It was like a fraternity. Anyone from a nonconservative persuasion was 'banned'."

Charles Z. Wick, the USIA director, did not block anyone, the sources said, but often suggested Republicans be wanted sent abroad.

The American Participation, which began in the 1950s, sends 500 speakers abroad each year, most of them college professors and academic experts. A USIA spokesman said the agency has increased the number of administration speakers to about 30 percent because such officials are popular and best able to explain government policy. The spokesman said foreign audiences would be confused if speakers criticized the administration.

Speakers sent abroad by the USIA include Edwin Meese 3d, White House counselor; David R. Gergen, former White House communications director; Anthony Dolan, presidential speech writer; Edwin Harper, former White House domestic affairs adviser; Senators Richard G. Lugar, Republican of Indiana, and Alfonse M. D'Amato, Republican of New York; members of the Republican National Committee; and three justices from the Supreme Court's conservative wing, Warren E. Burger, Sandra Day O'Connor and John Paul Stevens.

Please send detailed resume and salary history to A. G. Kroos, Tektronix Europe B.V., P.O. Box 827-B, 1180 AV Amstelveen, The Netherlands.

REQUIRED: ASSISTANT MANAGER STORE OPERATIONS

Duties and Responsibilities:

— Reports to Purchasing Manager.

— Responsible for clearance and delivery of all goods to respective storage areas.

— To develop economical storage system.

— To control and advise stock levels for purchase forecast.

— Responsible for average price, inventory level, max/min stock through computers.

— Maintain good coordination and relations with custom.

— Ensures proper stock rotation.

Necessary Qualification & Requirements:

— University Graduate preferable.

— Work experience as Operations Controller in large Manufacturing Companies.

— Previous employment in Saudi Arabia desired.

— Preferential Technical or Food-Cold Storage background.

— Good command of English Language.

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Conditions and Benefits:

— Handsome tax free salary with only Social Insurance deductions as per Saudi Arabian laws approximately 5.5%.

— Free accommodation and company car.

— Eight weeks vacation p.a. with pay and free Air Tickets to the point of hire twice a year.

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## EC, Third World Nations Opening New Lomé Talks on Aid and Trade

Reuters

BRUSSELS — Representatives of the European Community and 64 developing countries meet here this week to try to revive the North-South dialogue amid Third World allegations that Europe is treating the poor countries like beggars.

"We're not asking for charity," said Josua D.V. Cavaleiro, Fiji's representative to the EC and chairman of the Committee of Ambassadors of the African, Caribbean and Pacific states.

These countries, known as the ACP states, are linked to the EC through the Lomé convention on trade and assistance, which expires in February 1985. The two sides meet on Thursday to begin negotiating a new agreement.

The Committee of Ambassadors officials fear that the community intends to impose even stricter conditions on the use of aid at a time when their nations are seeking a freer hand in how it is spent.

The original Lomé pact was hailed as a model for cooperation between the rich nations of the Northern Hemisphere and the

poor, developing South when it was signed in 1974.

But relations have soured as recession has affected the flow of aid and the theory of North-South interdependence has gone out of fashion. The Third World officials said.

Reviving the dialogue will depend on Europe recognizing its dependence on developing countries, which are its main raw materials suppliers and largest market, Mr. Cavaleiro said.

"Most Europeans seem to think Lomé aid is a simple handout," Mr. Cavaleiro said in an interview. "It's not. Developing Third World markets and raw-materials supplies are crucial to the health and security of European industry."

The two Lomé pacts have failed to recognize and exploit this interdependence.

EC officials say this so-called "policy dialogue" would improve efficiency in the use of aid.

The nations of the Committee of Ambassadors, however, have refused to discuss the new approach.

"They want an opportunity to pass a value judgement on our development priorities, to tell us what is not in our interest," said Jacob B. Wilmut, Ghana's ambassador to the EC.

The Third World officials argue they have little say over how the \$5 billion paid out under the five-year life of the pact is spent, and they oppose a further loss of control.

United Press International

LONDON — Vice President George Bush will have talks with Prime Minister Margaret Thatcher during a visit this weekend to London. U.S. Embassy sources said.

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## Genscher Proposes 'Elite Universities' To Boost Competition in Technology

By Henry Tanner

International Herald Tribune

BONN — Foreign Minister Hans-Dietrich Genscher has stirred up contention in West Germany with a proposal that has nothing to do with the North Atlantic Treaty Organization, nuclear missiles or anything else related to foreign affairs.

He wants to introduce privately financed "elite universities" in a country where universities for many centuries have been the responsibility of the state and where a citizen's right to equal chances in education is a strongly held credo of all political parties.

Mr. Genscher argues that West Germany, Europe's foremost industrial power, is in danger of missing the second industrial revolution and losing out to the United States and Japan in some key high-technology industries.

His aim is to create at least two high-tech institutes on the U.S. model. He has visions of new industrial agglomerations with hundreds of small and medium high-tech enterprises springing up around the new universities, like California's Silicon Valley around Stanford and Route 128 around Harvard and the Massachusetts Institute of Technology.

His immediate goal is the establishment of two institutions. One would specialize in biotechnology, the other in all forms of microelectronics, including robotics, telecommunications and consumer electronics.

The two fields are the main gaps in West Germany's high-tech arsenal, Mr. Genscher's aides say. They add that microelectronics is the world's fastest growing industry and that biotechnology, now still largely in the laboratory stage, may become the fastest growing industry of the 1990s.

Mr. Genscher has broached the idea of "private elite universities" in several speeches. His aides say that the topic has brought him more mail than anything he has said recently in his own field.

Mr. Genscher, who is the head of the small centrist party, the Free Democrats, intends to put his proposal before the party congress in June and to make it the core of a more general party platform for reform of higher education.

Politically, the adoption of such a program would be seen as the consolidation of the party's right wing behind Mr. Genscher and Otto Lindendorff, the economics minister, who is hatching the idea.

The Free Democrats lost part of

their left wing in late 1982 when Mr. Genscher and Mr. Lindendorff took the party out of its alliance with the Social Democrats and into a coalition with the Christian Democrats, bringing Chancellor Helmut Kohl to power.

Mr. Genscher denies that his proposal would introduce social inequalities into the university system.

"I am in favor of elites," he said in a recent speech. "But I am saying very clearly what I mean by this: There can be no elites of class, money or inheritance but only elites of achievement and responsibility."

West Germany has about 1.2 million students in about 60 universities, more than four times the number in 1960, according to official figures. Almost all the universities are controlled by the federal states and largely funded by the central government. There is no tuition and no entry examination for

students who passed the *abitur*, the final high school exam, with adequate grades.

Because individual universities are unable to accommodate all applicants, the students have to register with a central clearing house for admissions, which then directs them to universities around the country. Salaries for university professors are set strictly within federal norms, and no exceptions are made officially.

An aide to Mr. Genscher said, "The universities can neither choose the professors nor the students they want, and the students cannot choose their universities. The result is mediocrity in many places. Professors are bogged down in administration, scholarship and research are suffering."

"We want a brain drain in reverse: Attract brilliant teachers from abroad, including many Germans who had left for greener pastures, by offering them better salaries, smaller classes, specially gifted students and time for research and scholarship," he said.

That, he said, would lead to competition between the state-run universities as well.

Some elements of Mr. Genscher's plan are not entirely new: Although the rule is free admission, medical faculties throughout the country have had to limit admission by taking only those with the best grades at the *abitur*. Small, privately financed medical universities have been established in Bonn and in Herdecke, Westphalia, and their degrees are recognized by the government.

Mr. Genscher is looking to private industry to provide the funding for the new institutions and for scholarships for gifted students who could not afford tuition.

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# INTERNATIONAL Herald Tribune

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## Standing Off From Beirut

### Plain Common Sense

George, can you please tell me what in heaven's name is happening in Lebanon?

Our marines aren't the target, Mr. President. It's still the militias against the Lebanese army, which is falling apart again.

Why can't they talk it out and get together?

Well, for six months Gemayel wasn't offering his army and taking control of West Beirut. Last week he finally offered real concessions, as we've urged. Only the Moslems wanted West Beirut back and maybe more.

But they were talking?

They said they were talking. Meanwhile there was some sniper fire between the army and the Shites and pretty soon an army guard post was overrun. So the army, in frustration, began shelling Shiite and Druze civilian neighborhoods. And that did it.

You mean that some headshot could wreck our whole diplomacy, George?

Not really, Mr. President. But the fighting reminded the Shiite leader, a fellow named Barri, that he wasn't going to compromise with a government that held his civilians hostage.

He linked up with the Druze to demand that Gemayel quit as president. That forced the figurehead Moslem prime minister to resign, which was kind of a signal to Moslems in the army to quit shouting at fellow Moslems in the militias. And that made it pretty easy for the militias to move back into West Beirut.

OK, then what now, George?

Well, before this blowup Gemayel said that "everything is negotiable." But his father's militias are itching to take West Beirut back again. If we can cool them off we might get everyone talking again in Geneva or Beirut and create a coalition.

While reminding everyone that the marines are firmly committed to protect Gemayel?

Not exactly, Mr. President. With Gemayel's army crumbling, I've been hinting that we might redefine their mission.

To resist a Syrian takeover?

Well, 1,600 marines are no match for 40,000 Syrians. We've kind of left Syrian withdrawal to the Saudis, who say it can come after the Lebanese glue something together.

So what should we do with the marines?

Gemayel might make enough concessions and somehow survive and the marines would get the credit. But if he can't, the reason for their being there would turn out to look even flimsier. That's why I've begun saying they aren't supporting any particular leader, they're supporting the integrity of Lebanon.

That way we're demonstrating American resolve and defending Israel?

That's a good way to put it, except for the part about Israel. For Gemayel to survive, he may have to walk away from the deal we got him with Israel last May.

In which the Israelis promised to pull out of Lebanon the minute the Syrians did?

Yes, in Moslem eyes, that deal made Gemayel an Israeli puppet and ratified the domination of Moslems by Christians. It's a dead letter now. The Israelis don't much care about Lebanon except near the southern border, and they'll look after their own security there.

So why have we kept the marines in those bunkers, taking casualties all this time? What good have they been doing anyone?

Just what you said about demonstrating American resolve, about how Tip O'Neill may be ready to surrender but you're not. Otherwise we could easily move them offshore, park them in ships and pursue the same agenda.

Well, heck, George, that's the same agenda. That's just the most obvious common sense.

— THE NEW YORK TIMES.

### The End for Gemayel?

Is it the end for Amin Gemayel, for his army and now his government and, by extension, for the special position of that privileged part of Lebanon's Christian minority that put him in power? His supporters, to and out of Lebanon, had urged him 1) to be strong and to apply strength, especially through the army, and 2) to be accommodating and to attend to the deep and well-founded grievances of the non-Christian communities. His army, whose lower ranks are heavily Moslem, was not a sufficiently reliable instrument to permit him to do the first thing. The narrowness of his core Maronite constituency held him back from doing the second.

Syria, of course, has applied merciless and unfair pressure. Damascus seems determined not only to show its dominance in Lebanon but also to humiliate the Gemayel government's leading foreign patron, the United States, for making plans in Lebanon without consulting Syria. Yet the Gemayel government's grave structural disabilities cannot be ignored. It is the reflection of a skewed and thoroughly obsolete disposition of power to Lebanese society. Only a government capable of sharing power — that is, a government brave and strong enough to dilute Christian power far more purposefully than Mr. Gemayel has tried to do — could have stood a chance to hold off Syria's vengeance.

Israel is in the midst of a convulsive review of its own Lebanese fiasco. It appears to be in no mood to make any more of a political or, certainly, a military investment in Lebanon's Christian community. Its residual aim in Lebanon is simply to make what local arrangements it can to the south to ensure the security of its northern border. The practical effect of Israeli policy in Lebanon is to move that victim country closer to effective partition.

And what about the United States? From the start the essential function of the marines in Lebanon was to give the United States standing to edge the Lebanese government toward survival and, at the same time, political change. It was a policy that itself kept changing with circumstances, adapting badly to political pressures at home and a deterioration of the central government's authority to Beirut.

America saw its role shade from that of peacekeeper to enforcer to unwilling and inadequate participant. None of this worked. All of it was costly. The sudden savage turn of events last weekend in Beirut has moved the government there substantially closer to the point at which it is beyond any outsider's rescue. Mr. Reagan is "redeploying" U.S. troops and threatening to use air and naval power against Syrians and their local allies firing into Beirut and for other purposes. He also pledges to step up training and assistance for the Lebanese army — presuming that one survives. The tendency of the Reagan administration to see the crumbling in Beirut strictly as a Syrian (or Syrian-Soviet) power play — which it is, but only up to a point — can surely not blind it to the weaknesses of the local materials with which the United States has had to work.

The old Lebanon, shining in its promise of pluralism, rotten in its social foundations, is all but gone. That is legitimate cause for mourning — although not for giving up in trying to retrieve over time what can be retrieved. The blow to American prestige is, while considerable, far from crippling. It is not pleasant to diplomacy, any more than in anything else, to come up short; the specific faults in American policy can be judged on another day. Right now it simply needs to be said that it would have been worse not to try.

— THE WASHINGTON POST.

## Pulling Back Doesn't Mean Pulling Out

By Joseph Kraft

WASHINGTON — Make a list of all the American assets in Lebanon and all the Middle East. They were frozen or wasted as long as the marines stayed in Beirut. But pull the marines back to the armada standing offshore, and the assets come into play. So even at this desperate hour, the tactical withdrawal announced by President Reagan on Tuesday makes sense.

Moral probity constitutes, despite a certain tarnishing of late, the prime American asset. The United States enjoys high standing in the world because it affords many small nations the only protection available against aggression and subversion. The Lebanese government of President Amin Gemayel has a claim on that protection.

Dissident minorities demand a larger voice in Lebanese affairs. Perhaps an accommodation can be worked out. But the minorities, and their Syrian patrons, show every sign of wanting to break the Gemayel regime by force of arms.

Whatever the outcome, the United States must above all things resist the dishonorable role of destroying a legitimate government that it has undertaken to support. Others should broker the deal. But in order to stay out of that dirty business, American diplomacy needs a position of strength to which it can repair.

American power normally provides a basis for refusing to go along with gangster rule. Even now

the United States commands enough strength at sea and in the air to make life miserable for the Lebanese dissidents and their Syrian backers.

But the marines hunkered down around the Beirut airport have been hostages against the effective use of American power. As long as they are exposed to terrorist attacks on the ground, the United States has to pull its punches in dealing with Syria and the dissidents. Hence the weak role played by America as the enemies of Mr. Gemayel mounted the attacks that have forced the resignation of the Lebanese cabinet.

A broad range of allies are available for joint action that bears on Lebanon. Several "moderate" Arab governments have reason to oppose Syrian primacy. Jordan, Egypt, Iraq and Saudi Arabia would all lose prestige if the Syrians scored in Lebanon. They have a rallying point in the Palestinian banner borne by the leader whom the Syrians have humiliated, Yasser Arafat.

But joint action by the "moderate" Arabs requires time. They also need an Israeli government prepared to make concessions, and strong U.S. leadership. But that kind of government in Israel, while perhaps in the making, does not now exist. American leadership, with concern for the marines dividing the country, is not strong.

In those conditions, the "moderate" Arabs make halting moves that only antagonize Syria.



Drawing by Tito

## A Dialogue About Dialogue With the Soviet Union

By Marshall D. Shulman

NEW YORK — Reasonable people often come to fundamentally different views about the Soviet Union. Take, for example, two persons who I shall call A and B.

A tends to take a dark view of the Soviet Union and the threat it represents, and this leads him to conclude that the U.S. relationship with it is one of stark confrontation, not by America's choice but because of the intractability of Soviet intentions.

While B has no sympathy for the Soviet Union, he sees it as more pragmatic and cautious in its behavior, and he fears that confrontation is dangerous and counterproductive.

A is not hawk. B is not a dove. They do not represent the extremes of right or left; rather, they are loosely grouped around the middle of the spectrum of American politics. They are equally aware of the dangers of nuclear war and equally concerned about avoiding it. They might have the following dialogue:

A. The trouble with you is that you think the Russians are like us. But how

can you explain the Soviet Union's enormous military buildup except as a reflection of its intention to use force to dominate the world — or at least to achieve the same effect by intimidation?

B. They have achieved superiority over us by building up when we allowed ourselves to become weak. Their ideology teaches hostility and conquest, and even before the revolution they expanded their power and control unceasingly.

B. I do not deny that they have built up militarily beyond reason, but it is wrong to say that they have achieved superiority over us. Neither they nor we can have a usable superiority over the other. And it is not true to say that we allowed ourselves to become weak; we were improving our forces at the same time, and the Soviets saw parity as a moving target. I agree that they did more than they needed to, but so did we.

For all practical purposes, we have a condition of mutual deterrence; it is excessive, but it is not a fragile bal-

ance. I agree that we need to look to our conventional forces, which need to be strengthened to Europe and elsewhere, but we have no reason to fear the strategic nuclear balance — unless we make the deterrent balance less stable. As for ideology, whatever the apocalyptic claims of Marxism-Leninism, in practice the Kremlin has been pragmatic and cautious.

A. How can you call the Soviet Union cautious in the face of its aggressive conduct in recent years? Are you overlooking Angola, Ethiopia, Yemen, Vietnam, Afghanistan? Look at what the Soviets are doing in Poland, and how they maintain their illegitimate domination over all of Eastern Europe. They have a base in this hemisphere, in Cuba, and are trying to get a foothold in Central America. Wherever there are unstable spots, it is because they are still trying to spread their revolution.

B. What you say adds up to a persistent effort by the Soviet Union to expand its influence wherever opportunities occur. But those opportunities are not created by the Russians. They seek to exploit upheavals caused by local conditions to which we have not responded effectively, and they are quick to take advantage of our shortsightedness and ignorance. We think every radical movement is created by Moscow, but it is we who drive these revolutionary movements into Moscow's arms.

Afghanistan is another matter. What the Soviets did was wrong and should be condemned; but it should be understood as a political and military miscalculation that grew out of their paranoiac security fears.

As for Poland and Eastern Europe, Soviet hegemony over this area goes beyond any reasonable justification, but it cannot be rectified by force or pressure. Only long-term measures can restore autonomy to these unfortunate countries, and the Soviet Union's troubles in Eastern Europe may lead it to time to appreciate that it does not need hegemony over Eastern Europe in order to ensure the security of its western border.

A. Can you deny that the Soviet system is a totalitarian domination? How can the United States deal with a country that was built with gulag labor, that is run by the KGB, that throttles any opposition and refuses to allow emigration? Don't we have to change the system to be able to have peaceful relations with the Soviet Union?

B. I would agree that the Soviet system is heavily autocratic, as Russia has been for centuries. I would join you in condemning its repression of dissent and the right of emigration. But it does not lie within our power to transform the Soviet Union into a liberal democracy. It may or may not change in the future — I think it has changed in some degree since the time of Stalin — but,

in the meantime, we have the problem of living with it as it is.

A. I don't think it can change much without falling apart. It is a brittle system, and it is close to a state of collapse. Only its overwhelming military power holds it together.

B. We cannot predicate our policies on the expectation that the Soviet Union will collapse. It is a large country, with great natural resources and a large population that has been accustomed for centuries to living under difficult conditions. There is no sign of revolutionary dissatisfaction. We have to start from the assumption that the Soviet Union is here to stay.

A. I don't see why in past discussions you've kept harping on the need for arms control arrangements. We've had arms control negotiations for 20 years, and it hasn't even slowed down the Soviet military buildup. The only effect has been to pull our side into a spiral of demobilization. The only way to deal with them is to be stronger than they are — that's the way to keep the peace.

B. Arms control hasn't really been tried. The only agreements we've been able to reach have been limited, and at such high numerical levels, because we haven't been willing to let them cut out our planned programs. We may go through the motions of arms control negotiations to pacify our public, but negotiations won't succeed until we really understand that our security will be better protected by a stable and moderate-level balance to the nuclear competition. The alternative is unregulated nuclear military competition, with arms that are less stable and less verifiable and that will make us less secure.

As for trying to regain superiority, the only effect of that will be to lead the Russians to keep pace with us.

A. What do you want — another détente? That was a failure and a deception. Did it stop the Russians from their military buildup or their aggression in Africa? Did you think that because we had a joint walk in space they were going to be nice to us?

B. No, not détente as in 1972. It didn't last, because each side had a different notion of what it meant. The Soviets thought they could continue to exploit opportunities in the Third World without disturbing our relations, and they were wrong. We didn't ratify SALT-2, we granted most-favored-nation status to the Chinese but withheld it from the Russians, and so on.

If we ever have the opportunity to try it again, it will have to be on the basis of a more realistic common understanding of the mutual restraints we expect from each other.

The writer, professor of international relations at Columbia University, was special adviser on the Soviet Union to Secretary of State Cyrus Vance and Edmund Muskie. He contributed this comment to The New York Times.

## The Deficit Financial Cacophony

By Hobart Rowen

WASHINGTON — The fight between Treasury Secretary Donald T. Regan and Economic Council Chairman Martin S. Feldstein is bizarre proof that no one is in control of monetary and economic policy at the White House.

Says an important Republican disapprover, "This whole thing makes us look like a bunch of amateurs."

And banker Felix Rohatyn, a Democrat, says, "The only thing worse than bad policy is no policy at all."

The immediate effect on the economy is highly negative, as can be seen in the recent slide in the stock market. No one can ever be wholly sure why stock prices go this way or that, but some of the keenest analysts think the stock market is increasingly gloomy about prospects that the budget deficit problem is not going to be resolved, even after the deficit-cutting package the Federal Reserve demonstrates that it shares that anxiety — and contributes to market worries — by announcing that it must keep a tighter rein on monetary policy than it would if budget policy made more sense. Paul Volcker is saying in effect that the Fed will not print the money to bail Mr. Regan out of the deficit.

A private company in the same dire straits as the United States would be on the verge of bankruptcy, according to testimony by the director of the Office of Management and Budget, David A. Stockman.

A secondary effect of the Regan-Feldstein battle is on the Reagan administration itself. If ever there were signs of failed leadership, we had them this week when Mr. Feldstein and Mr. Stockman said bluntly that strong steps, potentially including tax increases, must be taken to reduce the deficit, and Secretary Regan violently disagreed, saying, "Tax increases do not help in any fundamental way."

Particularly upset because Mr. Feldstein — like virtually every other expert to America and to Europe — blames the deficit for high interest rates and an overvalued dollar that make American exports less competitive, Mr. Regan lost his temper.

"As far as I am concerned, you can throw [the Feldstein economic report] away," he exploded. "I have 35 years of experience in the market. The CEA has none. . . . Experience in the marketplace is a lot more valuable than time spent in a library."

Mr. Stockman, Mr. Feldstein and other cabinet officers apparently had the budget preparation process, to get President Reagan to face up to the deficit problem. They got no help from the president's chief of staff, James Baker, who, like Secretary Regan, misinterpreted the serious nature of \$180-\$200-billion annual deficits stretching ahead indefinitely.

Mr. Stockman and Mr. Feldstein fretted about how they would manage to defend what was clearly an indefensible position, when Secretary Regan capitulated to reality — at the last minute — and helped evolve the idea of negotiating a \$100-billion "down payment" on the deficit.

That made the president's budget, as sent to Congress, obsolete the moment it arrived. As Mr. Feldstein said, the budget was "superseded."

"The minute Regan talked about a down payment," said a former budget director, "there was a fundamental contradiction." Mr. Stockman and Mr. Feldstein seized on the opening provided by the prospective negotiation: Both made clear that the "down payment" could only be considered the first step toward reducing the deficit in a more substantial way.

But Secretary Regan still tries to pretend that the president's original budget message is a viable document. An argument can be made that if Mr. Feldstein and Mr. Stockman could not go along with President Reagan's stubborn fixation against raising taxes, they should have resigned or suffered a silent veto. But the obviously felt that Secretary Regan was not depicting the real world to the president, regardless of his 34 years on Wall Street.

Felix Rohatyn, senior partner of Lazard Freres, is another experienced hand with 35 years of market place know-how. Yet on television last Sunday he was in tune with Mr. Feldstein, not Mr. Regan.

Calling for decisive action now to cut the deficit, Mr. Rohatyn said: "We've gone into financial gutter space here, and we're going into it with a crew, with a level of desperation among the people making this country's financial policy that is at a level that I've never seen before."

Maybe Donald Regan should spend some time in the library.

The Washington Post.

## Other Opinion

### The Troops 'Have to Withdraw'

President Amin Gemayel recently said, with regard to the continued presence of the multinational force in Beirut, "I harbor no illusions. One does not gladly die for the sake of others."

Now a sudden resurgence of civil war and the success of the Shiite offensive against the Lebanese army strip the Western contingents of their raison d'être. Unable to step in between the belligerents or to give effective support to a crumbling government, they have to withdraw.

The retreat of the multinational force would seem inevitably to lead to a situation in which [Mr. Gemayel], threatened in his own palace and without a government, will face de facto partition of his country and even of his capital.

— Le Monde (Paris).

The United States can no longer shape Lebanon's future. If it cannot prop up Mr. Gemayel and he falls and the civil war intensifies, President Reagan has two options. One is to man the Syrians and the Druze and the Shia militia so badly they desire. For all sorts of reasons, including growing domestic opposi-

tion to the continuing presence of the marines in Lebanon, this was unlikely. So he has had to take a decision to withdraw from the bloody quagmire. A country's reputation is a major source of its influence and its power, and he has to prevent an ignominious scuttling. The troops of Britain, France and Italy will have to leave at the same time.

— The Daily Telegraph (London).

Egypt agrees to the withdrawal of all foreign forces from Lebanon, including the U.S. marines, coupled with a national reconciliation. Reconciliation should be based on a balance between the different Lebanese communities as it exists now, not on a historical balance.

— Al-Ahram (Cairo).

For the United States, a military pullout after a pro-Syrian victory would be a severe foreign policy blow, beyond second only to its defeat in Vietnam. But then no one can do anything to save a country where national interests have never come higher than political or religious dogmas.

— The Singapore Monitor.

## By the Soviet Evidence, Women Seem Superior

By Vladimir Shlapentokh

EAST LANSING, Michigan — In allowing the emergence of Soviet society, God probably had in mind to reveal some truths. He wanted, among other things, to propagate His view that woman is superior to man in many dimensions — physical, moral, cultural.

The Soviet people have had to undergo many severe tests at times when their egoistic instincts have been checked only by fear of punishment. It then becomes obvious what groups of people and what human traits can best prevail against demoralizing forces in Soviet society. One of the details of the Russians is alcoholism.

Women have not escaped this plague. Female intemperance partly accounts for the growth of infant mortality in the last decade. Still, women's drunkenness is incomparably less than men's.

Alcoholism is by all accounts the main cause of one of the most ominous Soviet demographic trends: the steady growth of the male mortality rate. In 1981 the general death rate was 10.2 per 1,000 people, against 7.1 in 1960. This most spectacular feature of the trend: Male mortality was mounting much faster than female mortality. As a result the difference in life expectancy between Soviet males and females has reached levels unknown in any other developed country — 12 years to 1980.

Twenty years ago, in an article in Literaturnaya Gazeta, the demographer Boris Ulanis declared that it was men, not women, who could claim to be the "weaker sex." Readers took that as a piece of irony and wit — but today the view that Soviet males are in danger and that their existence is in some way at stake has become a part of Soviet conventional wisdom.

Alcoholism not only leads to the premature death of males but also makes a solid contribution to the general moral degradation of a growing number of Soviet men. One of numerous manifestations of this: Men are losers in competition with women in education.

Before World War II, women were a minority (36 percent) among Soviet professionals. Now the situation is the inverse. Of all those with a professional education in 1980, 59 percent were women and only 41 percent men.

In 1978, 26 percent of Leningrad brides said yes to less-educated groom, while two decades ago only 5 percent did. In the near future, women's educational super-

riority will be even greater: The proportion of women students in universities crossed the 50 percent mark in 1976 and is now at 52 percent. In technical colleges it is even higher: 57 percent.

Recent studies show that female engineers in the Soviet Union devote three times as much of their leisure time to humanitarian and artistic activities as do their male colleagues. Women read more fiction and go to museums, theaters and concerts much more often.

There is no doubt that Soviet women are more law-abiding than men and more observant of norms. Some studies show that women's absenteeism, despite their home duties and their child-care responsibilities, is only a fifth of men's. Women also change their employment at most only half as often as men. Should I mention that among criminals, men are in the majority?

In an unofficial study I conducted before my emigration from the Soviet Union in 1979, I found that women surpassed men in the courage to maintain relations with people frowned upon by the authorities: 43 percent of men ceased normal relations with such people, but only 28 percent of women. Asked about Andrei Sakharov, the dissident scientist, 24 percent of male engineers, but only 5 percent of their female colleagues, endorsed the harsh official judgment.

Every fifth woman between the ages of 30 and 50 is unmarried. There is an absence of fit husbands. Soviet women more and more value cultural and psychological compatibility with their partners. And because they do, they would rather stay alone than tie themselves to men whom they cannot help despising.

Many Soviet trends are actually universal trends. The specific conditions of the society have simply made them more pronounced and strong. The social offensive of women is in progress in many other countries, including the United States. Women increasingly have trouble finding a good partner.

In a world in which moral values are eroding, the role of women as custodians of those values becomes even clearer than in the past.

The writer is visiting professor of sociology at Michigan State University and author of the forthcoming book "Love, Marriage and Friendship: Soviet Ideals and Practice." He contributed this comment to The New York Times.

### Dealing With Pretoria

Regarding "U.S. to Make New Effort on Namibia and Angola" (IHT, Jan. 26) by Bernard Gwertzman:

We are informed that the U.S. State Department's Bureau of African Affairs has yet again glimpsed the gleam of a breakthrough in its southern African negotiations. These negotiations attempt simultaneously to remove the large Cuban military presence from Angola and to bring about Namibia's transition from South African rule to independence under UN Security Council Resolution 435. The efforts have monopolized the attention of the Reagan administration's top African specialists for the last three years, to the near exclusion of creative initiatives on the rest of the continent.

The two issues are intrinsically difficult. In the eyes of many observers, the Reagan team has not helped matters by consciously entangling the two and by showing uncommon tolerance toward South Africa's repeated military adventures deep into Angola and toward its open supply of

arms and money to an opposition movement waging guerrilla warfare against the Angolan regime.

One can only pray that this time the hopeful report has more substance than its predecessors and that South Africa is not about to frustrate the negotiations through diplomatic delay or further armed incursions.

It has also been reported that large numbers of Cuban troops are being withdrawn from Ethiopia.

The Cubans went to Ethiopia in 1977 at the urgent request of an Ethiopian government seriously threatened by an invasion from Somalia. Since then, U.S. officials on the spot have made it clear to the Somali government that for all its strategic interest in access to Somali military facilities, the United States would not support diversion of resources to a Somali irredentist campaign to seize the Ogaden region from Ethiopia.

Serious raids by the Somali army and by Somali-sponsored guerrillas have stopped, and Ethiopia has sensibly decided it no longer needs to pay the financial and political costs of a large Cuban military presence.

The two cases point up a simple lesson. African powers cannot support a major foreign military presence only when that is the only alternative to destruction. They get rid of foreign troops when invasion is no longer a threat. The Angolan government has repeatedly made that point.

If, instead of vetoing Security Council resolutions that condemn South African raids, while increasing the level of cooperation with the South African military, the Reagan administration had made it clear that no cooperation was possible while South Africa actively destabilized Angola, those Cubans, too, might have seen the light for Havana.

Instead the United States quite unnecessarily risks increasingly embarrassing involvement with a South African regime whose engagement with its neighbors has been highly destructive of regional peace — and of the standing of the United States in Africa and in the world.

WILLIAM J. FILLITZ, Professor of Political Science, Yale University, New Haven, Connecticut.

### LETTER TO THE EDITOR

#### Dealing With Pretoria

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## The Defiant Financial Cacophony

By Robert R. Ross

WASHINGTON — The Federal Reserve Board's decision to raise the discount rate to 12 1/2 percent, the highest since 1980, has sent a clear message to the financial markets. The move, which was widely expected, was aimed at curbing inflation and stabilizing the dollar. The Fed's action was seen as a strong signal of its commitment to fighting inflation, even at the cost of higher interest rates. The markets reacted with a mix of surprise and relief, as investors had been uncertain about the Fed's future course. The move was also seen as a response to the ongoing economic challenges, including the high unemployment rate and the need to maintain the dollar's value. The Fed's decision is expected to have a significant impact on the economy, particularly on borrowing costs and investment. The markets are likely to continue to watch the Fed's moves closely in the coming months.



Archbishop Cãmara greets a well-wisher at his retirement party in Recife.

## Brazilian Archbishop, Champion of Poor, Retires at 75

The Associated Press

RECIFE, Brazil — Archbishop Helder Pessoa Cãmara, a defender of social justice and human rights in the Third World, celebrated his 75th birthday Tuesday and complied with Roman Catholic Church regulations by resigning as head of his archdiocese.

Fellow clergymen and worshippers turned out by the hundreds to show their admiration and support for Dom Helder, as the archbishop is known. But the military regime of Brazil, the world's largest Roman Catholic country, did not officially take note of the event.

Brazilian news organizations covered the day's events, thanks to the suspension of a decade-long military ban against publicity on the archbishop. The censorship ended after Pope John Paul II visited in 1980, embraced the archbishop on worldwide television, and called him "my friend, my brother."

Archbishop Cãmara, a frequent candidate for the Nobel Peace Prize, said that although he must step down as administrative chief of the archdiocese in Recife, in Brazil's impoverished northeastern region, he would continue to speak out for the world's poor people "as an archbishop of the church."

He said he would speak in the coming months in Italy, Canada and the United States.

Archbishop Cãmara said he was starting a campaign to appeal in Third World countries to renegotiate the terms of repayment of hundreds of billions of dollars they owe to North American and European banks.

The present repayment conditions, which often force governments to divert resources from social programs to repay the debts, "are oppressing people who are already poor and grinding them down even further," he said.

## Singapore Women Challenge Policy Of Priority for Children of Educated

By Dinah Lee

SINGAPORE — Women here are challenging a new government policy of granting children of mothers with university degrees priority in entering the best schools.

While all other women in Singapore are encouraged to stop at two children as part of a birth control campaign started in 1970, the third or fourth children of well-educated women will now get first choice of schools.

Reaction to the policy ranges from indifference to indignation. On Tuesday, the National University of Singapore's Union of Students said it was circulating a petition expressing doubts about reliance on "selective breeding" to improve the country's pool of potential leaders and skilled persons.

Local press surveys suggest that many people consider the policy racist, favoring Singapore's better-educated and more affluent Chinese majority over the rapidly growing Malay population. They see the plan as an attempt to keep the current population balance by encouraging a higher birthrate among the Chinese.

The policy, announced in January, is perhaps the first in the world to carry into the realm of national policy the "nature vs. nurture" debate on the origins of intelligence. Even China's strict birth control regulations, which grant privileges to one-child families, apply to all parents regardless of educational level.

In contrast, the policies of Singapore's prime minister, Lee Kuan Yew, and his Education Ministry officials are based on the assumption that women with university degrees have the income, education and, most important, the genes to produce more intelligent children.

Announcement of the regulations followed a plea in August by Prime Minister Lee in which he asked educated women to produce

more children. He said that, judging by 1980 census figures showing that educated women had fewer children, "if we continued to reproduce ourselves in this lopsided way, levels of competence will decline."

The previous December, Mr. Lee spoke at a conference of the ruling People's Action Party about these worries.

Mr. Lee's bent toward social engineering policies is well known. In the early days of his leadership, his favorite word when referring to Singaporeans was "digits."

The new policy does not appear popular among women in this usu-

ally quiescent city-state. They have told pollsters from two local dailies, the Straits Times and the Singapore Monitor, that the incentive of entering their children in better schools was not enough to persuade them to have more than the customary one or two.

Many women said the privileges granted to female university graduates with three or more children was elitist. There are in fact only about 200 such mothers in this country of 2.4 million people.

One woman who approved of the policy was the director of the association of banks in Singapore, Mrs. Ong-Ang Ai-Boon, who has three children.

"Overnight I've gone from social pariah to celebrity," she said in a recent interview.

In explaining her support for the rules, Mrs. Ong echoed the prime minister's recurring theme that only through personal sacrifice and commitment could Singapore survive.

"I can sympathize with people who are annoyed when the government keeps chopping and changing its policy," she said. "However, my thinking is that when you make an economic policy that is good for the nation, some people do lose out."

Objections are also coming from men with university degrees. A British banker said last week that many of his Singaporean male colleagues with degrees were angry that their children came second in the nation's priorities.

The students' petition says: "The assertion that only the intelligent can breed the intelligent is a fallacy. Government policy that directly affects our lives cannot be built on such grounds. We doubt that the attainment of a university degree is an accurate indication of intelligence. There are many individuals who do not pursue a university education by choice or because of lack of opportunity or circumstances, but they are as intelligent as the average graduate."

## East Germany Broadens Curbs On Links to West

United Press International

BONN — East Germany has extended its restrictions on unofficial contacts with the West, a West German official said Wednesday.

Outfried Hennig, a state secretary dealing with East-West German relations, said new categories of state officials and their families had been banned from any form of Western contact, including postal or telephone links with relatives in West Germany. Mr. Hennig said the Bonn government would protest the move.

Categories of East German officials already barred from contact with the West include those in the military, police, teachers, scientists and senior state and Communist Party officials.

Meanwhile, sources in West Berlin reported the arrest last October of 120 East Germans who took part in unofficial peace protests in Dresden. The sources cited information from East Germans who were jailed after the protests but who were freed and allowed to emigrate after the West German government made payments to East Germany.

## U.S. Finds High Level of EDB in Imported Fruit

By Cass Peterson

Washington Post Service

WASHINGTON — The U.S. Food and Drug Administration has found high levels of ethylene dibromide, or EDB, in the pulp of imported citrus fruits. In some cases more than 70 times the level that the government has deemed safe for ready-to-eat grain products.

Residues ranged as high as 2.173 parts per billion in the pulp of oranges shipped from Mexico to Texas. Italian oranges sold in a New York market showed levels of 1.730 parts per billion.

Much lower residues were found in citrus fruits shipped to Texas from Arizona and Florida. Fruit of unknown origin purchased in Maryland showed no EDB.

The findings, which were forwarded last week to the Environmental Protection Agency, may

pose an additional problem for William D. Ruckelshaus, the EPA administrator, as he attempts to rid the U.S. food supply of EDB without overly disrupting trade.

Mr. Ruckelshaus recommended Friday that states recall ready-to-eat grain products containing more than 30 parts per billion of EDB, but he said he was not prepared to act on citrus and tropical fruit.

The grain and food-processing industries said they considered Mr. Ruckelshaus's action reasonable. The citrus industry, however, has long contended that it cannot survive without EDB.

Agriculture Secretary John R. Block said that there are substitutes for EDB, "but the information I have is that none is very good or practical to use right away."

The Agriculture Department requires that all fruits and some vegetables entering the country be fu-

migated. Fruit shipped from one citrus-growing state to another often also must be fumigated.

The United States imports about \$12 million worth of fresh citrus fruit each year, according to the department's figures. Mr. Block said the situation was of concern to the nation's trading partners in the Caribbean and Central America.

An Environmental Protection Agency analysis last year found that eating citrus and tropical fruits tainted with EDB posed a significant cancer risk.

The agency, for example, found residues of 11 parts per billion in papayas, and said that eating 12 of them a year could result in one additional cancer death for every 5,000 persons. The agency usually considers anything more than a one-to-a-million chance of cancer to be unacceptable.

The agency last week limited

EDB residues to 900 parts per billion in raw grains, 150 parts per billion in "intermediate" foods such as flour and cake mix, and 30 parts per billion in prepared foods. It has not released the risk figures on which it based those limits.

Agency officials said, however, that the figures would be close to those used in calculations last September, when the agency imposed an emergency ban on the use of EDB as a soil fumigant. The new figures are expected to reflect the agency's belief that EDB residues will drop sharply in food products over the next year, disappearing within five years.

For an adult, that will likely mean a very small risk — perhaps one in 10 million. But the calculations done last year also reflect a relatively high risk for small children who eat EDB-tainted food for one additional year.

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# Who in his right mind bought gold then?

In the "Golden Sixties" the idea of investing in gold was laughable. About as laughable as energy crises, double-digit inflation and double-digit unemployment. The few farsighted investors who took gold seriously in the '60s have been generously rewarded. While just about everything else depreciated, the price of gold climbed from \$35 an ounce during the Sixties, to \$850 an ounce in 1980. But what about today?

Inflation is under control, oil is in surplus, economies are recovering, and the recession is coming to an end. The start of the "Golden '80s"? Perhaps. But probably only for those people who do not repeat the errors of the past.

Petroleum is plentiful, but repercussions from the troubles in the Middle East could shut off the supply at any moment. Inflation is down, but the economic recovery is already beginning to create conditions for another oil shock. The world monetary system is still threatened by Third World debt.

And international tensions have seldom been greater. Afghanistan, Poland, Lebanon, Israel, Iran, Iraq, El Salvador, Nicaragua, Grenada — the names in the headlines come and go. But the problems behind the headlines continue.

The world is less secure today than it has been for most of the 20th century. Gold is still the best hedge against an uncertain future; it always has been. Why gold?

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THURSDAY, FEBRUARY 9, 1984

Statistics Index  
Page 7

## WALL STREET WATCH

By EDWARD ROHRBACH

### The Main Question Now Is Where Market Slide Will Come to an End

Open windows have always strangely attracted Wall Street, which has been doing the next best thing to actually jumping.

"Stocks are taking a down elevator," said Salomon Brothers' Laszlo Birinyi Jr. "Nobody knows what floor they're going to stop at."

The probable low now being "banded about" on Wall Street is the 1,100-to-1,120 range on the Dow Industrials average, he said, adding: "The big institutional investors, with their favorite stocks getting hammered unmercifully, are plain scared."

Mr. Birinyi, who directs equity-market analysis at the firm, correctly questioned the institution-led surge in stocks a month ago when Wall Street flirted with the uncharted 1,300 level.

"That rally dried up as the institutions ran out of money," he asserted. "They were all expecting the stock market to reach 1,320 or 1,350 — when everybody was going to sell to the other guy."

Michael Metz, senior vice president and market strategist at Oppenheimer, described the 100-point-plus decline of stocks as "everybody trying to improve their liquidity, then rushing for the exits at the same time — creating a demand vacuum."

Like Mr. Birinyi, he expects a "technical bounce" off this week's low, but then predicts "another slide, down perhaps below 1,100."

After this low is reached in the year's first half, he predicts, Wall Street will trade no higher than 1,250 for the rest of 1984.

"Bonds will act as a lid on stocks," he said. "Playing the stock market has just not worked out for investors the last six to nine months and there's going to be a reallocation toward bonds. The bloom is off stocks, especially for individuals who haven't been making money in speculative areas like high tech and new issues."

Foreign investors, he said, are switching funds out of Wall Street because "they see better values on other stock exchanges and fear the dollar is vulnerable to a major drop."

#### Trading Turn Predicted

Newton Zinder, chief technical analyst for E.F. Hutton, said that with all the market's recent "emotion," the stage is set for a "trading turn."

However, he thinks that any such turn will last for only a few days.

He sees stocks bottoming out in the low 1,100s, but "Wall Street will have to go through an extensive rebuilding phase before any sustainable upmove can be made." That could take from a month to midsummer, he said.

Mr. Zinder explained that the market tumbled because "too much optimism had been built up — investors thought nothing could go wrong on Wall Street during a presidential election year."

Frank Korth, director of market analysis at Shearson/American Express, discounts the possibility that Wall Street is moving into a major bear market and sees support at the 1,110 to 1,130 level. In fact, he sees a replay of last year at this time, when stocks peaked in February then traded in that area for two months.

While expecting a "trading opportunity," he advises against "bottom fishing" during this consolidation for people who "spend investment dollars." They should wait for the "spring rally" that Mr. Korth anticipates.

Market leaders then, he said, should be money-center banks such as Chase and Citicorp, the Southeast regional banks, along with the nonnuclear utilities. Here he named Allegheny Power, Southwestern Public Service, Tucson Electric Power, Consolidated Edison and Northern States Power. Consumer stocks, especially major retailers, should also shine, he said. He mentioned Dayton-Hudson, Wal-Mart and J.C. Penney.

Mr. Korth, in his studies of various market sectors, notes that in many cases foreign stocks traded on Wall Street have lately far outperformed their group. "They're doing surprisingly better," he said. "This to me indicates funds are moving into foreign stock exchanges and out of Wall Street."

Jan de Jonge, who manages Royal Dutch/Shell's \$600-million pension-fund portfolio, said money has been redirected to Europe's stock markets the last eight months as they have become "more attractive" than Wall Street.

In the first half of 1983 more than 50 percent of the fund's cash flow, or "new money," was going into U.S. stocks, he said, then Royal Dutch/Shell "turned neutral" on trans-Atlantic investments.

"However, we'd be prepared to reinvest now on Wall Street if stocks go down another 50 to 60 points. We consider the dollar a risk, though, something that could hurt us."

That theme was echoed by Ove Brandstrup-Andersen, head of foreign trading and investment at Copenhagen Handelsbank, Denmark's largest bank.

It has been more a question of non-American investors leaving the dollar than leaving Wall Street, he said.

International Herald Tribune

## U.S. Steel Set to File Trade Suits

By Stuart Auerbach

WASHINGTON — U.S. Steel Corp.'s chairman Wednesday said the domestic steel industry, including U.S. Steel, will file many complaints in the next few months to try to persuade the Reagan administration to withdraw its opposition to global import quotas.

David M. Roderick suggested that a large influx of new cases on top of the more than a dozen already filed may be so "burdensome" that the administration will reverse itself and agree to negotiate global quotas that would allow foreign suppliers about 15 percent of the U.S. market.

That would be divided among Europe and Japan, which each holds about 5 percent of the U.S. market, and Third World suppliers whose imports have surged over the past year to about 10 percent of the market.

Mr. Roderick said "all players of substance in the import game" — the European Community, Japan and Brazil — "would be very pleased to enter into quotas in a negotiated manner."

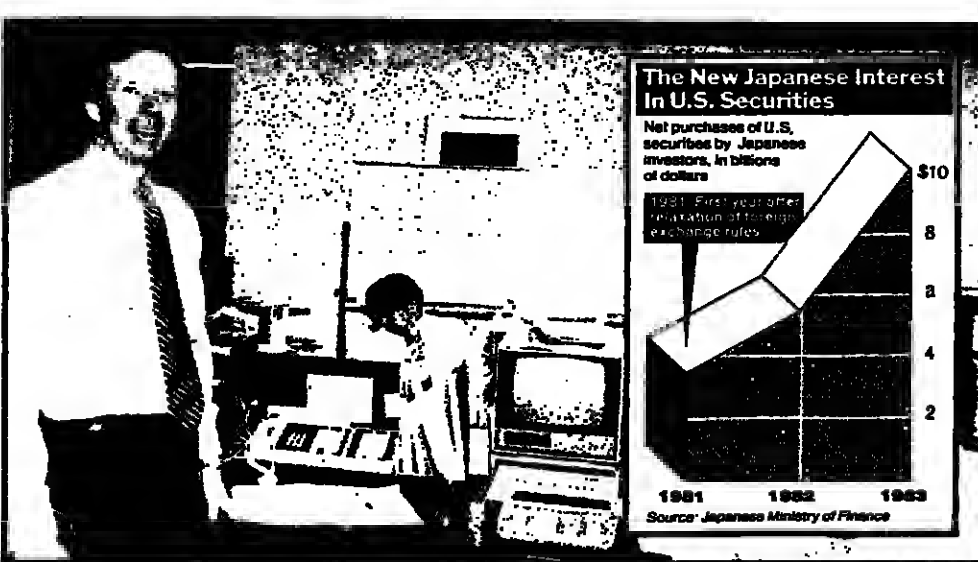
Brazil, facing the prospect of being priced out of the United States as a result of unfair-trade case rulings that are likely to impose high penalty tariffs, has been especially active recently to carve out its own niche in the United States.

"The question for Brazil is whether they will accept a lower quota or nothing," Mr. Roderick said.

The Reagan administration has consistently opposed the notion of global quotas, though it negotiated a restraint agreement with the EC and accepted Japan's voluntary restraints.

But Mr. Roderick told a steel industry breakfast for the press that "it is not inconceivable that the administration could begin to modify its position" under the pressure of trying to handle a growing number of unfair-trade cases.

So far there have been no signs of (Continued on Page 11, Col. 3)



George P. Hutchinson, left, managing director of Salomon Brothers Asia Ltd., in Tokyo.

## 6 U.S. Brokerages Prosper in Japan As Funds Seek High Returns Abroad

By Steve Lohr

TOKYO — In 1976, when Salomon Brothers Inc. set up shop in Asia, it decided for several reasons to locate in Hong Kong. The British colony was centrally situated in the region, it was relatively free of regulations and it was bilingual. Clearly, the firm's executives concluded, Hong Kong was the financial heart of Asia.

Then, over the next few years, they decided they had missed something in arriving at their decision.

"It became apparent to me and my colleagues," said George P. Hutchinson, managing director of Salomon Brothers Asia Ltd., "that Japan was the future. It had the infrastructure, the economic size and the capital."

That future has in good part arrived for Salomon Brothers and a band of other U.S. investment houses — Merrill Lynch, Goldman Sachs, Prudential-Bache, Kidder, Peabody, and Smith Barney. The six firms have prospered in Japan, as the country's cash-rich institutional investors have bought more and more high-yielding foreign bonds.

The six U.S. firms have upgraded their Japanese operations, from representative offices to branches that can trade securities like any Japanese brokerage. Today, they each have a Tokyo branch office, and Merrill Lynch has also opened a branch in Osaka.

Their experience has been so successful that other U.S. firms with representative offices in Japan are contemplating branch status. The Europeans, particularly the British, are also increasing their presence in Japan, but to a lesser extent than the Americans.

While the six U.S. firms are engaged in such other activities as corporate finance and research on Japanese equities, the trading of fixed-income securities is the fastest-growing field. And most of the U.S. firms, regardless of classification, are adding significantly to their bond staffs.

Perhaps the stiffest competition among the U.S. firms is to gain the services of Japanese traders experienced in the international bond markets. The Americans are offering six-figure salaries to lure specialists away from big Japanese securities houses or, not infrequently, from their American rivals. In December, for example, Kidder, Peabody raided Merrill Lynch's Tokyo office, hiring away four of its bond salesmen.

The capital outflow from Japan is attributable to the easing of the government's foreign-exchange controls in December 1980, the appeal of higher interest rates abroad and the decision by the Ministry of Finance to let big financial institutions put more of their assets in foreign investments.

Domestically, life insurance companies and banks have fewer investment opportunities in Japan now that economic growth has slowed and companies no longer need so much capital for building new factories. Accordingly, the financial institutions need new outlets for investment and, for the insurance companies especially, they would prefer to put a portion of their assets in nations less prone to earthquakes than Japan is.

The result of the more relaxed government posture toward investment abroad has been a sharp rise in (Continued on Page 9, Col. 1)

## Bonn Cabinet Approves Rules On Banking

Reuters

BONN — The West German cabinet has agreed to lower the limit on a bank's lending to a single borrower to 50 percent of a bank's basic capital, down from the current 75 percent.

Finance Minister Gerhard Stoltenberg said Wednesday that this forms part of a draft amendment to the West German banking law approved at Wednesday's cabinet session.

Mr. Stoltenberg said the amendment also calls for banks to include their foreign affiliates in their balance sheets. The current system includes parent banks and branches only, ignoring foreign subsidiaries.

Accounts of all domestic and foreign subsidiaries in which banks have holdings of 40 percent or more will have to be consolidated, Mr. Stoltenberg said. Mortgage banks are included in the regulation.

The amendment includes in its definition of a single borrower all holdings in which a borrowing concern has a 40-percent or larger stake, Mr. Stoltenberg said.

He said the banks will be given a transition period of five years in which to comply with the demands of the amendment.

The government seeks to have the bill take effect on Jan. 1, 1985. He said the agreement to extend the new reporting standards to include mortgage banks was only approved after prolonged discussion, and with Economics Minister Otto Lambrecht abstaining.

If the transition period presents problems for individual banks, the Federal Banking Supervisory Office would be able to extend it, he noted.

Mr. Stoltenberg said the measure was intended to adjust West German bank supervision to the changed risk situation for the banks and to improve their capital resources. He added that it also is

intended to achieve a better spread of bank risk and to bring West Germany into line with European Community banking-reporting guidelines, which are due to come into force in mid-1985. But the main thrust of the draft is the introduction of bank supervision on a consolidated basis, he said.

This consolidation will not endanger the supply of credit to the West German economy, as banks that are unaffected by the amendment still will have considerable scope for making fresh credit available, Mr. Stoltenberg said.

Nor will the competitiveness of West German banks suffer unduly compared with banks abroad, as most industrialized countries already have consolidated bank supervision, he said.

Mr. Stoltenberg said he hopes the changes in the law will help keep the banks within the West German lending limit of 18 times own capital, by boosting their capital resources.

## U.K. Official Assails U.S. Trade Curbs

By Stuart Auerbach

WASHINGTON — Britain's secretary of state for trade and industry, Norman Tebbit, scolded the Reagan administration Wednesday for preaching free trade while slipping into protectionist practices.

He cited White House curbs on imports of specialty steel and tightened limits on the sale of foreign textiles as actions by the administration that are "so worrying" to Britain.

The increased tariffs and quotas on imported specialty steel, imposed by President Ronald Reagan days after the heads of government at the Williamsburg economic summit last May declared their determination to reverse protectionism, is "unjustifiable," Mr. Tebbit told a luncheon here of the U.S. Chamber of Commerce and the Washington Export Council.

He called the decision to place new restrictions on textile imports "another unsettling element which undermines confidence in the U.S. commitment to free trade."

"Like the action over steel," Mr. Tebbit continued, "it carries a message to other domestic industries and makes resistance to future protectionist demands that much higher."

The Reagan administration has (Continued on Page 11, Col. 5)

## N.Y. Stock Prices Fall Sharply and Broadly as Trading Eases

United Press International

NEW YORK — Trading slowed down a bit on the New York Stock Exchange Wednesday as prices dropped along a broad front, following some grim economic predictions by the Federal Reserve's chairman, Paul A. Volcker.

The Dow Jones industrial average, up 3 points and down 8 in the first two hours after rising 6.18 Tuesday, was down 10.37 to 1170.12 an hour before the close of trading. Before Tuesday, it had fallen 112 points in four weeks, including 22.72 Monday, to a six-month low.

Declines led advances 944-554 among the 1,938 issues traded. Five-hour volume was 72.5 mil-

lion shares, compared with 88.9 million traded in the corresponding period Tuesday.

Analysts said prices of many stocks had reached such low levels that institutions were tempted to begin buying again. But there still was considerable nervousness about interest rates, the budget deficit and Lebanon.

Marvin Katz of Sanford C. Bernstein said "this market can't just turn around. It has to build a base somewhere. I think we are close to it," but he added that margin calls were heavy for the third straight session.

Mr. Volcker triggered some selling when he warned the Senate Banking Committee that failure to

work on cutting the federal deficit was like playing "Russian roulette" and inaction could produce another recession.

Mr. Volcker said the demands of the economy would determine the course of interest rates. Lower demand would mean lower rates and increased demand higher charges.

He also said he thought President Ronald Reagan's budget assumptions about interest rates and inflation for 1985 were optimistic.

Traders were watching carefully as a special panel proposed by President Reagan held its first meeting amid skepticism by Democrats that it can come up with a way to cut the federal budget deficit if

military spending or tax increases are not discussed.

American Telephone & Telegraph when issued and AT&T "old" stocks were high on the active list.

General Motors, which rose 1/2 Tuesday after reporting fourth-quarter earnings of \$4.11 a share, up from 45 cents a year ago, moved up at the outset in heavy trading.

IBM, a 1 1/2 point winner Tuesday, was active. IBM Tuesday introduced a new high-speed printer. Motorola was lower in the early going. Motorola plans a 3-for-1 stock split and an increased dividend payout.

Wheeling-Pittsburgh lost ground. The company and Nisshin

Steel of Japan plan to build a steel mill in Ohio. Wheeling-Pittsburgh will issue more than 1 million new shares of common stock at \$35 a share. Nisshin will buy 500,000 of the shares.

Irving Trust, which has risen nearly 11 points over the past three weeks, including 4 1/2 Tuesday, gave back some ground. The company is subject of takeover speculation.

Jonathan Logan moved sharply higher. United Merchants has bought 9.8 percent of the company's stock.

C Three Inc., which reported third-quarter earnings of 5 cents a share, down from 25 cents a year ago, was lower.

## Volcker Shows Doubt On Reagan Predictions

The Associated Press

WASHINGTON — Federal Reserve Chairman Paul Volcker told Congress Wednesday that he had "considerable doubt" the Reagan administration can achieve the healthy economic growth and low interest rates it has predicted if government deficits remain high.

Mr. Volcker, testifying before the Senate Banking Committee, noted that administration officials said this week they are assuming the deficits the rest of this decade will not really be as high as the president's budget says.

But he added, "I think there's a real question whether they're assuming enough to achieve that outlook" of steady growth, declining interest rates and low inflation.

"There is considerable doubt about our ability to meet those kinds of projections, to put it mildly," without significant further budget actions, he said.

Mr. Volcker said he hoped Congress' bipartisan deficit-reduction talks with the administration, beginning Wednesday, would bear fruit quickly.

However, when the possibility of cutting the deficit \$50 billion this year was raised, he said, "We're not going to get \$50 billion in a year as a practical matter."

President Ronald Reagan has asked the negotiators to come up with a \$100-billion deficit reduction "down payment" over three years, and Mr. Volcker said, "I think that's a first step."

The Congressional Budget Office said Tuesday the deficit could pass \$300 billion by the end of the decade, and Mr. Volcker warned that such huge totals would be a danger to the economy.

## Venezuela Fires Calderón Berti

United Press International

CARACAS — The new president of Venezuela, Jaime Lusinchi, fired the head of Venezuela's state oil monopoly Wednesday, just two days after the dismissal of the nation's central bank president.

Fired as president of Petróleos de Venezuela SA was Humberto Calderón Berti, former energy and mines minister and one of the most influential figures in the Organization of Petroleum Exporting Countries.

Mr. Lusinchi appointed Brigido Natera head of the oil company. He had been president of Lagoven, a subsidiary of the oil monopoly.

On Monday, Mr. Lusinchi fired the president of the central bank, Leopoldo Díaz Bruzual, as part of his effort to overhaul management of the country's debt-ridden economy.

## Trafalgar House to Buy Scot Lithgow

By Bob Hagerty

International Herald Tribune  
LONDON — Trafalgar House PLC, the British shipping and construction company, said Wednesday that it had agreed provisionally on terms to acquire Britain's Scot Lithgow shipyard.

At least two other groups, however, apparently remain interested in acquiring the yard.

The shipyard, a unit of state-owned British Shipbuilders, was slated for sale or closing last December after Britoil PLC canceled a £28-million (\$124.1-million) order for a semi-submersible oil-drilling rig. Trafalgar has been discussing the acquisition for several weeks.

A British unit of San Francisco-based Bechtel Group Inc. disclosed earlier this week that it had formed a group interested in making a rival offer for Scot Lithgow, which is on the River Clyde in Scotland. A Bechtel spokesman said the group

experts to decide by late next week whether to make a bid.

In addition, industry sources said Howard Dorn of Scotland and Göteborg Arrendal AB of Sweden also were considering a joint offer.

A British Shipbuilders spokesman said the company had not ruled out consideration of another bid. But he said that no other offer had yet been received and that quick decisions were needed if the yard was to be saved.

Trafalgar said the sale hinged on resolution of legal disputes over the

rig, which was two years behind schedule when Britoil canceled the order. To allow time for renegotiation of the rig order, Trafalgar said, the sale of the yard is scheduled to take place by the end of this month.

Scot Lithgow is an unlikely target for a bid battle. It had a loss of £66 million on revenue of £105 million in the year ended last April 5. The yard is potentially attractive, however, because a minor boom in North Sea oil production is creating strong demand for rigs.

A key problem is apportioning the cost of eliminating jobs at the yard. Trafalgar indicated Wednesday that it would nearly halve the 4,000-member work force immediately and that the number of workers could fall to about 1,250 by late summer.

Trafalgar refused to disclose financial details, but the price is expected to be negligible. The government wants to avoid the huge costs and political embarrassment of closing the yard.

## CURRENCY RATES

Late interbank rates on Feb. 8, excluding fees.  
Official fixings for Amsterdam, Brussels, Milan, Paris. New York rates at 2:00 pm EST.

	U.S.	DM	FF	FF	FF	FF	FF	FF	FF
Amsterdam	1.3535	2.49	12.25	36.75	1.18	5.72	126.22	132.72	9
Brussels	56.27	79.875	28.405	64.65	3.251	18.15	25.30	24.10	9
Frankfurt	2.75	3.89	—	32.54	1.25	18.15	4.80	12.44	1.755
London	1.413	—	2.898	11.933	2.9275	4.268	79.46	3.1465	23.30
Milan	1,494.20	2,240	61.48	288.17	12.85	54.95	30.05	79.93	7.225
Paris	1,417.5	2,245	64.48	1,491.50	3.998	56.75	22.58	23.85	—
Porto	8.49	11.91	30.25	27.70	12.5	75.20	475.5	27.29	—
Stockholm	23.675	30.62	64.99	27.70	12.5	75.20	475.5	27.29	—
Zurich	2.278	3.1478	—	26.75	6.315	71.75	3.949	—	0.915
1 ECU	0.617	0.569	2.241	6.924	1.208.00	2.534	49.057	81.67	110.578
1 SDR	1.0495	0.74512	2.8188	1.795.21	3.226	28.434	2.317	245.48	—

	U.S.	DM	FF	FF	FF	FF	FF	FF	FF
Swiss	1.584	1.1225	—	1.18	5.72	126.22	132.72	9	—
0.02	1.584	1.1225	—	1.18	5.72	126.22	132.72	9	—
0.05	1.584	1.1225	—	1.18	5.72	126.22	132.72	9	—
0.10	1.584	1.1225	—	1.18	5.72	126.22	132.72	9	—
0.20	1.584	1.1225	—	1.18	5.72	126.22	132.72	9	—
0.50	1.584	1.1225	—	1.18	5.72	126.22	132.72	9	—
1.00	1.584	1.1225	—	1.18	5.72	126.22	132.72	9	—
2.00	1.584	1.1225	—	1.18	5.72	126.22	132.72	9	—
5.00	1.584	1.1225	—	1.18	5.72	126.22	132.72	9	—
10.00	1.584	1.1225	—	1.18	5.72	126.22	132.72	9	—

(1) Commercial bank; (2) Amounts needed to buy one dollar; (3) Amounts needed to buy one dollar; (4) Amounts needed to buy one dollar; (5) Amounts needed to buy one dollar; (6) Amounts needed to buy one dollar; (7) Amounts needed to buy one dollar; (8) Amounts needed to buy one dollar; (9) Amounts needed to buy one dollar; (10) Amounts needed to buy one dollar.

## INTEREST RATES

Eurocurrency Deposits Feb. 8

	1M	3M	6M	9M	12M	1Y
1M	9 1/4	9 1/4	9 1/4	9 1/4	9 1/4	9 1/4
3M	9 1/4	9 1/4	9 1/4	9 1/4	9 1/4	9 1/4
6M	9 1/4	9 1/4	9 1/4	9 1/4	9 1/4	9 1/4
9M	9 1/4	9 1/4	9 1/4	9 1/4	9 1/4	9 1/4
12M	9 1/4	9 1/4	9 1/4	9 1/4	9 1/4	9 1/4

Rates applicable to interbank deposits of \$1 million minimum (or equivalent).

Key Money Rates

	1M	3M	6M	9M	12M	1Y
1M	9 1/4	9 1/4	9 1/4	9 1/4	9 1/4	9 1/4
3M	9 1/4	9 1/4	9 1/4	9 1/4	9 1/4	9 1/4
6M	9 1/4	9 1/4	9 1/4	9 1/4	9 1/4	9 1/4
9M	9 1/4	9 1/4	9 1/4	9 1/4	9 1/4	9 1/4
12M	9 1/4	9 1/4	9 1/4	9 1/4	9 1/4	9 1/4

West Germany

Overnight Rate	5.50	5.50
One Month Interbank	5.45	5.45
Three Month Interbank	6.05	6.05
Six Month Interbank	6.20	6.20

GOLD PRICES			
	A.M.	P.M.	Ch/ps
Hong Kong	381.55	385.45	+ 7.30
Luxembourg	385.20	—	—
Paris (12.5 kilo)	385.20	384.50	+ 6.30
Zurich	385.25	384.25	+ 6.25
	384.55	384.25	+ 6.50

Discount Rate	5	5
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Agency of Congress  
Largest Deficit Cuts  
WASHINGTON — The House of Representatives today passed a bill to cut the federal deficit by \$10 billion over the next five years. The bill, known as the Budget Control Act of 1984, was passed by a vote of 308 to 117. It is the largest deficit-cutting measure in the history of the United States. The bill will reduce federal spending by \$10 billion over the next five years. It will also increase federal revenue by \$10 billion over the next five years. The bill is expected to be signed into law by President Reagan on February 9, 1984.

Study Forecasts Increase in Investment Within  
WASHINGTON — A study by the Federal Reserve Bank of New York has forecasted a significant increase in investment within the United States over the next five years. The study, titled "Investment in the United States: A Forecast for the 1980s," was released today. It predicts that investment in the United States will increase by 50 percent over the next five years. This is a significant increase, especially considering the current state of the economy. The study also predicts that investment in other countries will increase by 25 percent over the next five years. This is a more modest increase, but still significant. The study is based on a number of assumptions, including a steady increase in the federal deficit and a steady increase in the federal budget. It also assumes that the economy will continue to grow at a steady pace. The study is a useful tool for understanding the future of investment in the United States.

Saturday  
Leonard  
Silks  
Economic  
Scene.

## BUSINESS BRIEFS

### Cable & Wireless Succeeds in Bid To Win Control of Hong Kong Firm

LONDON (Herald) — Cable & Wireless PLC said Wednesday that it had raised its stake in Hong Kong Telephone Co. to 52.4 percent. The British telecommunications company had said Monday that it was offering 3.28 billion Hong Kong dollars (\$420 million), or 46 dollars a share, for the 62 percent of Hong Kong Telephone it did not already own. C&W said that the offer would remain open for several more weeks but that it hopes to leave a substantial minority of the shares in the hands of Hong Kong investors.

### Standard Telephones Venture Seen

LONDON (Herald) — Standard Telephones & Cables PLC is expected to announce Thursday that it has formed a joint venture with an American company to supply cable-television equipment in Britain. An STC spokesman declined to identify the American partner. The British company already is involved in cable TV through a shareholding in Uster Cablevision, which plans to operate a cable network in Belfast. Uster Cablevision is one of 11 companies that were awarded franchises last year to establish cable systems.

### Reagan Rejects Curbs on EC Wine

WASHINGTON (AP) — The Reagan administration is opposed to legislation that would restrict imports of European wine, even if the European Community erects trade barriers against U.S. agricultural commodities, Agriculture Secretary John R. Block has said. He warned at a news conference here Tuesday that the United States would react to such moves by the EC, but did not give details. Legislation has been proposed in Congress that would allow U.S. restrictions on wine imports. The bill, supported by lawmakers from major wine areas, has been seen as one way the United States could react to EC curbs on U.S. farm shipments.

### EC Confirms Curbs on U.S. Goods

BRUSSELS (AP) — The European Community Commission confirmed Wednesday its retaliatory measures against the United States for imposing curbs on EC specialty steel imports will take effect March 1. On Tuesday, the community rejected a U.S. request for a two-week delay in the start of the retaliatory measures to allow Washington to consider objections to the EC countermeasures. These countermeasures — curbs of imports of chemicals, sporting goods and security devices — were announced Jan. 13 following the U.S. government's decision last July to restrict imports of EC specialty steel, such as stainless steel, contrasted with traditional carbon steel.

### Airbus Greets Boeing Proposal Coolly

PARIS (Reuters) — The European aircraft consortium, Airbus Industrie, reacted coolly Wednesday to a surprise proposal from its main rival, Boeing Co., that the two organizations join forces to produce a short-haul 150-seater aircraft. "We don't really have any comment as we haven't been approached, but it is interesting to note Boeing is paying so much interest to Airbus," a spokeswoman for Airbus said. Airbus plans to produce a single-aisle, 150-seater plane, the A-320, by 1988. The proposal for a joint project came from Boeing's vice-president for civil aviation, Tex Bonifant, speaking to journalists in Paris Tuesday.

### Brazil Expects \$1 Billion This Month

RIO DE JANEIRO (Reuters) — The first segment of about \$1 billion of Brazil's \$6.5 billion commercial bank loan, signed in January, should be released in the second half of this month, Finance Ministry sources said Wednesday. Release of the first \$3 billion, which should be made available in three roughly equal parts at weekly intervals, has been delayed because of bureaucratic work. The issue, by Barclays Overseas Investment Co., is guaranteed on a subordinated basis by Barclays Bank International. The notes mature in 2004 and carry a spread of 4 percent over the London interbank offered rate.

### Barclays Euronote Issue Is Increased

LONDON (Reuters) — Barclays Bank's floating-rate Euronote issue has been increased to \$350 million from \$250 million, Barclays Merchant Bank said Wednesday. The issue, by Barclays Overseas Investment Co., is guaranteed on a subordinated basis by Barclays Bank International. The notes mature in 2004 and carry a spread of 4 percent over the London interbank offered rate.

### 6 U.S. Brokerages Prosper in Japan

(Continued from Page 7) Japanese purchases of foreign fixed-income securities, particularly U.S. Treasury issues and Eurobonds. With their expertise in these markets, the U.S. firms act as intermediaries for this surge. "The growth has been tremendous, and 1983 was by far the biggest year," Mr. Hutchinson said. In fact, net purchases of U.S. securities by Japanese investors jumped to \$10.3 billion last year from \$3.7 billion in 1981, according to the Finance Ministry's international research division. Nearly all of that investment was in fixed-income securities. The advantage of investing in U.S. issues is clear. Ten-year U.S. Treasury bonds, for example, have carried interest rates recently of about 11.5 percent, more than four percentage points higher than the rate on a comparable Japanese government issue. How much, and how quickly, the Japanese government will permit the capital outflow to increase is uncertain. Although the export of Japanese capital does help the U.S. government finance its huge deficits, the outflow also tends to weaken the value of the yen. A weaker yen makes Japanese goods less expensive abroad, aggravating trade frictions by increasing Japan's exports. Still, most of the U.S. securities executives here see the trend toward greater liberalization continuing, adding to their sales. For example, the Finance Ministry earlier this month permitted trading to begin in Government National Mortgage Association securities, or Ginnie Maes. Ginnie Maes are the biggest part

## GM Officials To Share Big Bonus Pool

New York Times Service

DETROIT — General Motors Corp.'s 1983 earnings are likely to produce some fat bonuses for the auto giant. Included would probably be one that would push the annual income for the chairman, Roger B. Smith, to more than \$1 million.

The last time that GM paid bonuses was in 1978, when profit of \$3.5 billion generated a bonus pool of \$166,727,000. The chairman at the time, Thomas A. Murphy, was paid a bonus of \$625,000 in cash and stock, or 0.37 percent of the total pool.

In good years an executive's bonus often amounts to more than his base salary. The 1983 earnings have fattened the bonus pool to about \$180 million, Mr. Smith said. If Mr. Smith receives the same share as Mr. Murphy did in 1978 — and GM officials say the formulas have not changed — he would receive about \$666,000 in bonus for the year.

As it is not likely that his 1982 salary of \$548,034 was reduced last year, Mr. Smith apparently will be paid more than \$1.2 million in 1983, the first time that a GM chairman has made more than \$1 million.

Mr. Smith's total company income for 1983 will be released by the company in its annual proxy statement in April. Mr. Murphy's total in 1978, his best year, amounted to \$975,000.

The bonus would be Mr. Smith's first since he became chairman in January 1981, shortly before the 1980 loss of \$763 million was announced. No bonuses were paid for that year or 1981 and 1982, although the corporation was profitable in the latter two years.

While it is not unheard of for executives of large corporations to earn more than \$1 million in salary and bonuses, the auto industry has not traditionally paid such high amounts. Henry Ford 2d, the former chairman of Ford Motor Co., nudged over the \$1-million mark in 1978, when his total compensation reached \$1,057,070.

The United Automobile Workers union, which is to negotiate a new contract with GM later this year, noted the size of the bonus pool and complained about "the great disparity between the bonus being paid to several thousand GM executives and the payout in profit-sharing to UAW-represented GM employees." The factory workers will get an average of about \$640 in profit-sharing each month.

Ford executives are also expected to get bonuses for 1983 based on expected strong earnings. But those at Chrysler Corp. will not because the company's old bonus plan expired while its government-backed loans were outstanding, and a new one could not be instituted under the terms of the loans.

## 6 U.S. Brokerages Prosper in Japan

(Continued from Page 7) rate on a comparable Japanese government issue. How much, and how quickly, the Japanese government will permit the capital outflow to increase is uncertain. Although the export of Japanese capital does help the U.S. government finance its huge deficits, the outflow also tends to weaken the value of the yen. A weaker yen makes Japanese goods less expensive abroad, aggravating trade frictions by increasing Japan's exports. Still, most of the U.S. securities executives here see the trend toward greater liberalization continuing, adding to their sales. For example, the Finance Ministry earlier this month permitted trading to begin in Government National Mortgage Association securities, or Ginnie Maes. Ginnie Maes are the biggest part

## Petro-Lewis Decides on a Pullback

### Decline in Oil Prices Causes Debt, Cash-Flow Problems

By Daniel F. Cuff

New York Times Service

NEW YORK — Jerome A. Lewis started Petro-Lewis Corp. in Denver in 1968 to introduce the idea of buying producing oil properties and selling equity in them through oil-income funds.

These income funds are sold — many to small investors — through brokerage houses and offer tax advantages with return on income. They do not carry the greater risk of drilling programs, where the tax write-offs are bigger.

The company, with strong marketing and with the price of a barrel of oil seemingly rising endlessly, prospered handsomely.

Today, Petro-Lewis dominates the industry, with more than 40 percent of all public sales. Over the last five years, revenues have grown at a 57-percent compounded rate and income a 33-percent rate.

But the fall in oil prices created heavy debt and the company "had a cash-flow problem," said James T. Martin, an analyst with Boettcher Securities in Denver. The company took drastic action Monday to attack its \$1 billion in bank debt.

It decided to scrap a new fund called the Yield Plus Fund II, suspend sales of all its income programs and attempt to sell one-fourth to one-third of its producing oil and gas properties.

This will allow the company "to focus on the sale of property, and they are conceding they cannot

really market programs right now," Mr. Martin said.

Petro-Lewis said it would also reduce the expected returns to limited partners by 50 percent on partnership programs created before November 1982.

This means that an investor who believed he would get a 12-percent return might get 6 percent, Mr. Martin said, but it depended on what program he was in. Some programs have returned as much as 40 percent, while others might not return an investor's capital. Some people in the industry said investor lawsuits were expected.

In addition, Petro-Lewis partnerships, unlike some others, have had liquidity. But the company said, without being specific, that it would cut the price at which it would repurchase them. Mr. Martin said the reduction could be as much as 50 percent.

Mr. Martin characterized Monday's actions as a realization that the company's earlier actions — seeking a merger partner and raising money to cover debt by starting another fund, the Yield Plus Fund — were "Band-Aid actions."

"They are now focusing on restructuring the company to handle the major reduction in bank debt," Mr. Martin said. "They wanted to lay everything out on the table. You've got to respect them for that."

The company's stock fell \$2.25 Monday on the American Stock Exchange, to \$6.125, continuing its

slide from a high of more than \$12 last autumn.

What Petro-Lewis apparently had not counted on was that oil prices could go down as well as rise. The company in 1982 felt that oil prices were headed toward \$75 a barrel. It borrowed money at high interest rates to buy more oil and gas properties to sell more limited partnerships, forming one a month.

"Petro-Lewis always had the feeling that oil prices would only go in one direction," said Stuart Ober, an investment adviser from Woodstock, New York, who publishes the monthly Oil Income Letter. "That optimism proved not to be the case."

The base worldwide price of oil went from more than \$40 a barrel in 1980 to \$29 now. "So if they planned to pay back the principal with \$40 in mind, they were behind almost 25 percent," Mr. Ober said. "Leverage is a double-edged sword."

Barry Sahgal, an analyst with Ladenburg, Thalmann & Co., said he believed that all the bad news had been announced and "the company still has a viable vehicle for the oil- and gas-partnership interests."

He added that the stock would remain "suspect until some credibility is restored," but those who think "the company is going to go bankrupt are barking up the wrong tree," he said.

Mr. Lewis, the company founder, is the son of a drilling

All dollar amounts in thousands, except per share data			
	1983	1982	1981
Revenue	\$85,872	\$78,736	\$78,736
Net income	4,903	3,648	3,648
Earnings per share	\$0.06	\$0.78	\$0.78
Year ended	1983	1982	1981
June 30	\$85,872	\$78,736	\$78,736
Revenue	\$85,872	\$78,736	\$78,736
Net income	4,903	3,648	3,648
Earnings per share	\$0.06	\$0.78	\$0.78
Main Lines of Operations			
Contribution to fixed 1983 revenue	50%		
Oil and gas operations	50%		
Investment management	50%		
Total assets, June 30, 1983	\$1,187,915		
Current assets	1,187,915		
Current liabilities	132,250		
Long-term debt	340,848		
Stock price, Feb. 8, 1984			
Price per share	\$6.125		
Dividend yield, 52-week range	17.6%		
Employees, June 30, 1983	2,500		
Headquarters	Denver		
* After preferred stock dividends.			

## THE STOCK TIPSTER

Eight issues a year will give you up to date values recommendations by international experts. Please make cheques payable to AKTIETIPSET, Sweden. Address: The Stock Tipster, Box 318, S-13303 Saltsjöbaden, Sweden. Costs Pounds 12.-, Dollars 15.- Dkr 140.-, DM 35.-

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Address: \_\_\_\_\_

PORTNAX DEVELOPMENT LIMITED  
Box U.S. \$3.00. Asked: U.S. \$3.50.  
As of date: Feb. 8, 1984.  
P. P. S.  
FINANCIAL PLANNING SERVICES BY  
Investment Advisor, 3rd Floor  
1012 P.O. Box 1000, Montreal, Quebec  
Phone: (514) 297-7777/229773, Telex: 18526.

## NOTICE OF REDEMPTION of Ente Nazionale per l'Energia Elettrica-ENEL

(Italian National Electric Energy Agency)

7 1/2 Per Cent. 15-Year Guaranteed Bonds of 1970 Due March 1, 1985

NOTICE IS HEREBY GIVEN, on behalf of Ente Nazionale per l'Energia Elettrica-ENEL, that on March 1, 1984, \$3,000,000 principal amount of its 7 1/2 Per Cent. 15-Year Guaranteed Bonds of 1970 will be redeemed out of moneys to be paid by it to Dillon, Read & Co. Inc., as Principal Paying Agent, pursuant to the mandatory, annual redemption requirement of said Bonds and to the related Authenticating Agency Agreement and Paying Agency Agreement, each dated as of March 1, 1970. The Chase Manhattan Bank (National Association), as Authenticating Agent, has selected, by lot, for such redemption the Bonds bearing the following serial numbers:

BONDS SELECTED FOR REDEMPTION									
15	1854	3324	5868	7245	8070	10708	12273	13768	15288
16	1854	3324	5868	7245	8070	10708	12273	13768	15288
17	1854	3324	5868	7245	8070	10708	12273	13768	15288
18	1854	3324	5868	7245	8070	10708	12273	13768	15288
19	1854	3324	5868	7245	8070	10708	12273	13768	15288
20	1854	3324	5868	7245	8070	10708	12273	13768	15288
21	1854	3324	5868	7245	8070	10708	12273	13768	15288
22	1854	3324	5868	7245	8070	10708	12273	13768	15288
23	1854	3324	5868	7245	8070	10708	12273	13768	15288
24	1854	3324	5868	7245	8070	10708	12273	13768	15288
25	1854	3324	5868	7245	8070	10708	12273	13768	15288
26	1854	3324	5868	7245	8070	10708	12273	13768	15288
27	1854	3324	5868	7245	8070	10708	12273	13768	15288
28	1854	3324	5868	7245	8070	10708	12273	13768	15288
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30	1854	3324	5868	7245	8070	10708	12273	13768	15288
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37	1854	3324	5868	7245	8070	10708	12273	13768	15288
38	1854	3324	5868	7245	8070	10708	12273	13768	15288
39	1854	3324	5868	7245	8070	10708	12273	13768	15288
40	1854	3324	5868	7245	8070	10708	12273	13768	15288
41	1854	3324	5868	7245	8070	10708	12273	13768	15288
42	1854	3324	5868	7245	8070	10708	12273	13768	15288
43	1854	3324	5868	7245	8070	10708	12273	13768	15288
44	1854	3324	5868	7245	8070	10708	12273	13768	15288
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63	1854	3324	5868	7245	8070	10708	12273	13768	15288
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67	1854	3324	5868	7245	8070	10708	12273	13768	15288
68	1854	3324	5868	7245	8070	10708	12273	13768	15288
69	1854	3324	5868	7245	8070	10708	12273	13768	15288
70	1854	3324	5868	7245	8070	10708	12273	13768	15288
71	1854	3324	5868	7245	8070	10708	12273	13768	15



# Wednesday's AMEX 3 P.M.

Vol. of 3 P.M. 3,974,000  
Prev. 3 P.M. Vol. 4,538,000  
Prev. Consolidated Close 4,935,000

Tables include the nationwide prices  
Up to the closing on Wall Street

12 Month	Stock	Div. Yld. PE	52 Wk High	Low	3-Mo. Avg. Vol.
12M	ALCOA	2.1	15.1	13.1	15.1
12M	ALCOA	2.1	15.1	13.1	15.1
12M	ALCOA	2.1	15.1	13.1	15.1
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12M	ALCOA	2.1	15.1	13.1	15.1

## Shippers Bra In Search for

By David Lewis  
LONDON—With the Iran-Iraq war, some shippers are seeking well clear of the oil but for others even the oil is better than no oil.  
The oil demand for tankers and other vessels has persuaded some shippers to seek alternative routes, particularly to the Persian Gulf and the Red Sea. The oil demand for tankers and other vessels has persuaded some shippers to seek alternative routes, particularly to the Persian Gulf and the Red Sea.

### Over-the-Counter

Feb. 8

NASDAQ National Market Prices

12 Month	Stock	Div. Yld. PE	52 Wk High	Low	3-Mo. Avg. Vol.
12M	ALCOA	2.1	15.1	13.1	15.1
12M	ALCOA	2.1	15.1	13.1	15.1
12M	ALCOA	2.1	15.1	13.1	15.1
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12M	ALCOA	2.1	15.1	13.1	15.1
12M	ALCOA	2.1	15.1	13.1	15.1
12M	ALCOA	2.1	15.1	13.1	15.1
12M	ALCOA	2.1	15.1	13.1	15.1
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12M	ALCOA	2.1	15.1	13.1	15.1

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12M	ALCOA	2.1	15.1	13.1	15.1
12M	ALCOA	2.1	15.1	13.1	15.1
12M	ALCOA	2.1	15.1	13.1	15.1
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12M	ALCOA	2.1	15.1	13.1	15.1

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12M	ALCOA	2.1	15.1	13.1	15.1
12M	ALCOA	2.1	15.1	13.1	15.1
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12M	ALCOA	2.1	15.1	13.1	15.1
12M	ALCOA	2.1	15.1	13.1	15.1
12M	ALCOA	2.1	15.1	13.1	15.1
12M	ALCOA	2.1	15.1	13.1	15.1
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12M	ALCOA	2.1	15.1	13.1	15.1
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12M	ALCOA	2.1	15.1	13.1	15.1
12M	ALCOA	2.1	15.1	13.1	15.1
12M	ALCOA	2.1	15.1	13.1	15.1

12 Month	Stock	Div. Yld. PE	52 Wk High	Low	3-Mo. Avg. Vol.
12M	ALCOA	2.1	15.1	13.1	15.1
12M	ALCOA	2.1	15.1	13.1	15.1
12M	ALCOA	2.1	15.1	13.1	15.1
12M	ALCOA	2.1	15.1	13.1	15.1
12M	ALCOA	2.1	15.1	13.1	15.1
12M	ALCOA	2.1	15.1	13.1	15.1
12M	ALCOA	2.1	15.1	13.1	15.1
12M	ALCOA	2.1	15.1	13.1	15.1
12M	ALCOA	2.1	15.1	13.1	15.1
12M	ALCOA	2.1	15.1	13.1	15.1

### Grains

12 Month	Stock	Div. Yld. PE	52 Wk High	Low	3-Mo. Avg. Vol.
12M	ALCOA	2.1	15.1	13.1	15.1
12M	ALCOA	2.1	15.1	13.1	15.1
12M	ALCOA	2.1	15.1	13.1	15.1
12M	ALCOA	2.1	15.1	13.1	15.1
12M	ALCOA	2.1	15.1	13.1	15.1
12M	ALCOA	2.1	15.1	13.1	15.1
12M	ALCOA	2.1	15.1	13.1	15.1
12M	ALCOA	2.1	15.1	13.1	15.1
12M	ALCOA	2.1	15.1	13.1	15.1
12M	ALCOA	2.1	15.1	13.1	15.1

### Livestock

12 Month	Stock	Div. Yld. PE	52 Wk High	Low	3-Mo. Avg. Vol.
12M	ALCOA	2.1	15.1	13.1	15.1
12M	ALCOA	2.1	15.1	13.1	15.1
12M	ALCOA	2.1	15.1	13.1	15.1
12M	ALCOA	2.1	15.1	13.1	15.1
12M	ALCOA	2.1	15.1	13.1	15.1
12M	ALCOA	2.1	15.1	13.1	15.1
12M	ALCOA	2.1	15.1	13.1	15.1
12M	ALCOA	2.1	15.1	13.1	15.1
12M	ALCOA	2.1	15.1	13.1	15.1
12M	ALCOA	2.1	15.1	13.1	15.1

### Oil Prices

12 Month	Stock	Div. Yld. PE	52 Wk High	Low	3-Mo. Avg. Vol.
12M	ALCOA	2.1	15.1	13.1	15.1
12M	ALCOA	2.1	15.1	13.1	15.1
12M	ALCOA	2.1	15.1	13.1	15.1
12M	ALCOA	2.1	15.1	13.1	15.1
12M	ALCOA	2.1	15.1	13.1	15.1
12M	ALCOA	2.1	15.1	13.1	15.1
12M	ALCOA	2.1	15.1	13.1	15.1
12M	ALCOA	2.1	15.1	13.1	15.1
12M	ALCOA	2.1	15.1	13.1	15.1
12M	ALCOA	2.1	15.1	13.1	15.1

### Stock Prices

12 Month	Stock	Div. Yld. PE	52 Wk High	Low	3-Mo. Avg. Vol.
12M	ALCOA	2.1	15.1	13.1	15.1
12M	ALCOA	2.1	15.1	13.1	15.1
12M	ALCOA	2.1	15.1	13.1	15.1
12M	ALCOA	2.1	15.1	13.1	15.1
12M	ALCOA	2.1	15.1	13.1	15.1
12M	ALCOA	2.1	15.1	13.1	15.1
12M	ALCOA	2.1	15.1	13.1	15.1
12M	ALCOA	2.1	15.1	13.1	15.1
12M	ALCOA	2.1	15.1	13.1	15.1
12M	ALCOA	2.1	15.1	13.1	15.1

Weekly net asset value  
**Tokyo Pacific Holdings N.V.**  
on February 6, 1984: U.S. \$129.56.  
Listed on the Amsterdam Stock Exchange  
Information: Pierson, Helling & Pierson N.V.  
Herengracht 214, 1016 BS Amsterdam.

# The Global Newspaper



Today, it said the board of directors had proposed a 3-for-1 stock split and intends to increase the dividend to 20 percent.  
The company also expects to increase the stock price to 48 cents per share. If approved, the increase would represent a 20 percent increase from the current price of 40 cents a share.



## Shippers Braving Gulf In Search for Business

By David Lewis

**REUTERS**  
LONDON — With the Iran-Iraq war threatening to enter a more dangerous phase, some shipowners and insurers are steering well clear of the Gulf, but for others even the risk is better than no business at all.

Low demand for tankers and cargo ships has persuaded some Greek and Cypriot, to continue to risk sending ships to the oil-rich Persian Gulf.

And despite signs of escalation, some shipowners are keeping premiums steady.

Three Cyprus-registered freighters were damaged last Wednesday when a convoy of 13 ships was attacked while leaving the Iranian port of Bandar Khomeini.

Although the cost of insurance has risen sharply since vessels entered the Gulf, the cost of the Strait of Hormuz, London-based underwriter, Stephen Merritt, believes the area is more risky than most of the insurance market.

"The oil market is quite uncalm for," Mr. Merritt said. He said that his company, Merritt Syndicates, is

"not getting the rates we think are justified and we are tending not to write any business in the area."

One broker to the largely secretive London insurance market said a war-risk premium of 0.75 percent was payable on a ship's insurable value as it passed through the Strait of Hormuz and this could rise to 5 to 6 percent further up the Gulf.

Crew costs also can rise sharply. Britain's National Union of Seamen, for example, has an agreement with the General Council of British Shipping that sailors passing into an agreed war zone receive double pay for at least five days, even if they are in the zone for a far shorter time.

Jim Jump, a spokesman for the sailors' union, said his union had sought an extension of the war zone because of reports of floating mines as far down the Gulf as Qatar. The shipowners rejected the proposal.

Ship industry sources in Japan say Japanese owners are willing to send tankers to the Gulf despite higher insurance and crew costs because of unusual cold weather recently.

Japanese shipowners have offered an undisclosed extra bonus to Japanese sailors as war risk, but tankers can enter Kharg Island only with the union's agreement, the sources said.

## U.S. Steel Set to Sue

(Continued from Page 7)

that change. Commerce Secretary Malcolm Baldrige and William E. Brock, the U.S. trade representative, have publicly stated the administration's opposition to two moves to curb imports. One is an industry support bill that would limit imports to 15 percent of domestic consumption; the other is a measure that would allow the U.S. to sue foreign countries for dumping.

U.S. Steel, the eighth-largest U.S. steel company, announced Tuesday that Nishin, Japan's sixth-largest steelmaker, had agreed to buy 10 percent of its common stock.

Wheeling-Pittsburgh, which had a \$54.1-million loss last year and a \$58.8-million loss in 1982, said this move, along with the agreement of its largest shareholder to purchase needed capital.

At a news conference in Pittsburgh, the U.S. company's headquarter, the chairman of the two companies said they had also agreed in principle to form a joint venture to build a coating facility in the Ohio Valley for rust-proofing flat-rolled steel used by the automobile and appliance industries.

Wheeling-Pittsburgh also said that it would make a "multimillion-dollar" investment in Nishin's steel, but company officials refused to disclose the exact amount. Noting that the world steel

## Wheeling-Pittsburgh Pact Praised

Analysts Say Japanese Link Likely to Save Ailing Firm

New York Times Service

**NEW YORK** — Analysts say that the pact between Wheeling-Pittsburgh and Nishin, Japan's sixth-largest steelmaker, appears to have assured its survival by negotiating a stock-purchase and joint-venture agreement with Japan's Nishin Steel Co.

Wheeling-Pittsburgh, the eighth-largest U.S. steel company, announced Tuesday that Nishin, Japan's sixth-largest steelmaker, had agreed to buy 10 percent of its common stock.

Wheeling-Pittsburgh, which had a \$54.1-million loss last year and a \$58.8-million loss in 1982, said this move, along with the agreement of its largest shareholder to purchase needed capital.

At a news conference in Pittsburgh, the U.S. company's headquarter, the chairman of the two companies said they had also agreed in principle to form a joint venture to build a coating facility in the Ohio Valley for rust-proofing flat-rolled steel used by the automobile and appliance industries.

Wheeling-Pittsburgh also said that it would make a "multimillion-dollar" investment in Nishin's steel, but company officials refused to disclose the exact amount. Noting that the world steel

dusty is going through "a period of unprecedented structural change," Dennis J. Carney, chairman and chief executive officer of Wheeling-Pittsburgh, said. "We expect this new cooperative effort to improve the production and marketing of both steel companies."

Analysts agreed that the agreement improves the outlook for Wheeling-Pittsburgh.

"Wheeling-Pittsburgh has always been viewed as a highly marginal steel producer," said James Rudolph, an analyst with Wertheim & Co. "It has always been capital-starved. It's not in a position to go into the capital markets."

While the analysts said Wheeling-Pittsburgh would gain by getting some capital, they said Nishin would benefit by obtaining a foothold in the U.S. market. Nishin, which had revenue of \$1.5 billion during its last fiscal year and earnings of \$15.5 million, specializes in making stainless steel, but about half of its production is flat-rolled steel.

"The cooperative agreement will permit the two companies to share their ideas and expertise in all aspects of steelmaking—production, marketing and technical development," said Yuzuru Abe, president and chief executive officer of Nishin.

Some analysts predicted that this would be only Nishin's first purchase of Wheeling-Pittsburgh stock. And the announcement Tuesday also stressed that Nishin

would get representation on the U.S. company's board.

Wheeling-Pittsburgh announced that it had filed a statement with the Securities and Exchange Commission to register 1,050,000 common shares. Nishin has agreed to purchase up to 500,000 shares and chief executive of Gulfstream Aerospace Corp., who already owns 31.8 percent of Wheeling-Pittsburgh stock, has agreed to buy up to 500,000 shares. Both purchases are planned at \$35 a share.

Robert G. Maloney, an analyst with Wood Gundy Inc., said the arrangement would enable Nishin to enjoy more of the "very big market" here. He said, "Just as Japanese automobile companies are manufacturing here to improve their share of the market, so Nishin would like to have some facilities here."

Analysts said Nippon Steel Corp., Japan's largest steelmaker, is the largest shareholder in Nishin, and that its expertise in making seamless tube might be used to improve Wheeling-Pittsburgh's pipe mills. About 85 percent of Wheeling-Pittsburgh production is flat-rolled steel, with the rest being rails and pipe.

Wheeling-Pittsburgh's revenue last year totaled \$772.3 million, up from \$755 million the year before. Its stock closed Tuesday at \$33.50, up 25 cents, on the New York Stock Exchange. It has ranged from a high of \$35.62 to a low of \$17.50 during the past 52 weeks.

## U.K. Aide Scolds Reagan For Move to Protectionism

(Continued from Page 7)

staunchly denied that it has taken a protectionist turn. Vice President George Bush acknowledged that textiles is one area where the administration is "something less than pure in terms of free trade."

Commerce Secretary Malcolm Baldrige cited administration demands of controversial trade complaints, including one a year ago when domestic lumber interests sought restrictions on imports of Canadian lumber.

Nonetheless, the government now is faced with an unprecedented number of trade complaints filed within the last two weeks that will fall on the president's desk for a decision next fall—in the heat of his reelection campaign. These complaints come from the steel, copper, footwear and wine industries, with tuna-fish canners reported to be planning to file a case shortly.

Mr. Tebbit, acknowledged the political difficulty of resisting protectionism in an election year, but he pointed to Britain's policy of

allowing 60 percent of its imports in duty free, twice the United States' proportion.

"If Britain—a small offshore island—has the courage to face the competition, who do you lack confidence in yourselves?" he asked.

He also criticized Mr. Brock's contention that Europeans have failed to make needed economic adjustments by cutting wages and prices and "are just joining their merry ways," to quote Mr. Brock, a couple of months ago.

"At least we in the U.K. have not financed our merry-making by growing budget deficits," said Mr. Tebbit.

He also rejected U.S. complaints against the Europeans of industrial targeting, citing areas on the U.S. economy that have been helped by government policies, and attacked attempts to impose U.S. laws on people in other countries. Mr. Tebbit called this extrajurisdictional "the most persistent source of tension between us."

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#### U.S. Futures Prices Feb. 8

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## SPORTS

## Veteran U.S. Cross-Country Skier Koch Assails 'Shamateurs'

By Denis Collins

Washington Post Service

SARAJEVO — Bill Koch, the U.S. cross-country skier who has beaten the world's best at the Winter Olympics, then the rules upon which these games are based.

"There are no amateurs left," he said. "I do see a lot of 'shamateurs' who are not really amateurs. They are just people who have been around the amateur rules."

After a week of confusing controversy over which of the world's top players was fiscally pure enough to play on Olympic ice, the debate over one of the most funda-

mental premises of these quadrennial games has been raging in a dozen languages. It is not a new topic, but suddenly many of the world's top athletes are speaking out.

Phil Mahre, the reigning World Cup champion in alpine skiing, says amateurism "just doesn't exist at the top levels of sport." The companies that pay athletes for using their sports equipment, said Mahre, base the amount on how well the athletes perform and how effectively they advertise the product.

"It used to be that guys would take off their skis before they even crossed the finish line and get them up in front of the camera," said

Mahre. "They made a new rule that you have to cross the finish line before you could take your skis off. It became a joke."

Many athletes, including Koch, think the Olympics should be opened to everyone, including top professionals. With the current labyrinth of financial systems employed by countries to support their athletes, Koch believes there is no other way to eliminate hypocrisy.

"I don't see a whole lot of difference between professionals and rich amateurs," said Koch, 28, who does not deny that he gets more than free skis and poles for endorsing the equipment he uses. "The quality of competition would rise

dramatically... and athletes would not be in the degraded position of being forced to play somebody else's game."

Koch has been competing in world-class company long enough to know how all the games are played. He was 17 when he qualified for his first U.S. ski team in 1972.

At that time, U.S. Nordic skiers were so far behind the Scandinavian countries they couldn't have won a race with sled dogs. But within a remarkably few years, Koch caught up.

In 1976 Koch became the first American to win an Olympic medal in cross-country skiing when he placed second in the 30-kilometer

race at Innsbruck. In 1982 he made history again by becoming the first American to win a World Cup race.

Along the way he developed new racing techniques, including a skating action for starts and finishes that was so effective the Scandinavian countries banded together to outlaw its use in the last 200 meters of a race.

"It's a ridiculous rule," said Koch, who has a boyish face and hair that other Nordic skiers say burn a few shades lighter when he races. "They are legislating technique. I've always felt you should get from the start to the finish as fast as your skis will take you. It has cramped the style of cross-country skiing."

Koch's style has always been intensely private. He is not unfriendly to the press — he just doesn't want the attention. The only time he bristles is when someone asks him to predict his gold-medal chances. "That's a word I don't like. I don't think it's fair for anybody to have any expectations for me. I totally reject the pressures and expectations of other people. If they can't accept that, it's their problem."

Koch has been burned by outside expectations before. Before the 1980 Olympics at Lake Placid, "experts" were predicting Koch could win as many as three medals, including at least one gold.

Instead he finished 13th in the 50-kilometer race, 16th in the 15 and dropped out of the 30 kilometer, in which he had won the silver in 1976. The press and public expressed more than disappointment. Some groused that he hadn't tried.

"I think I'm about as competitive today as they come," said Koch. "But you can't base success or failure on whether you win or not. If you do, you're going to be a very disappointed person. The satisfaction comes from striving for excellence."

And that, straight from the wind-chapped mouth of an Olympic critic, sounds like the Olympic ideal.



Bill Koch, skiing past a Yugoslav soldier on a practice run.

## Sign of the Times: Teams Leaving the Family Fold

International Herald Tribune

LONDON — English soccer's ruling class, which developed the system on which the world's leagues are built, is finally succumbing to the winds of change.

Manchester United, Arsenal and Tottenham Hotspur — international pillars of the old order — are suddenly vulnerable to rude market forces. Rich or once-rich families that handed down boardroom control like beacons are now at different stages of accepting notice to quit.

Like corner grocery stores in the paths of multinational juggernauts, their resistance is low. The old landlords of Tottenham have been sold out. The old Etonians at Arsenal are being infiltrated

## ROB HUGHES

from the City of London. And the young full-time chief executive of Manchester United is pondering whether and when to cut and run.

Offers their fathers (sometimes their grandfathers) could refuse now seem irresistible. Perhaps it's the watering down of the family mine, the son not as ruthlessly committed or as blinded by the sheer awe of the thing. Or perhaps it is something but the inevitable swallowing up of the big by the bigger still.

Talk of £10 million (\$14.1 million) takeover bids for Manchester United may sound like small beer to American readers, accustomed as they are to the fickle shifts of poring franchises at home. But then, pro soccer there is dying without being given the opportunity to link roots.

English soccer, a little older to the tooth, has 92 league clubs, many with Victorian ancestry. The reason for supporting, as well as running, them is often that that's what father did. How long, one wonders, will the new ballgame last?

Take Tottenham. After decades of nepotistic rule, the fussy old family men are out and the counter-attack boys are in. The changeover was made all too easy by internal feuding. Old Sidney Waine, trying to cling to the chair with no heir apparent, was nudged aside by young Arthur Richardson, who did have a son, Geoffrey, to groom. But when expenditure on a new stand financially embarrassed Spurs, old Sid proved he was not one to ease up on a grudge. He put his shares at the disposal of outsiders who

## Tottenham Hotspur plc

Incorporated in England under the Companies Act 1948 to 1981. No. 27065383

## Offer for Sale

by Sheppards and Chase

3,800,000 new ordinary shares of 25p each at 100p per share payable in full on application

A newspaper ad for Tottenham's stock market float.

promptly dispatched the Richardson to the same impotent platform as "life president" Waine — they were named life vice-presidents.

And presto, the new chairman became one Douglas A. Alexiou, old Sid's son-in-law.

Alexiou was made the club's figurehead by a consortium headed by Irving Scholar, a multimillionaire property man who mainly conducts his business from the tax haven of Monte Carlo. Scholar, Alexiou and partners of the new Spurs board are in their thirties — half the age of the average football club director in Britain. And boy, do they have ideas.

This very week a Tottenham fan wanting a ticket for a match need not queue two hours in the rain. All he has to do is place a phone call, state his demands and means of payment and the ticket will be in the next mail, courtesy of well-trained, well-mannered computer operators. He will also find himself subjected to advertising campaigns by Saatchi and Saatchi, public relations advisers to Maggie Thatcher, trying to lure him to the stadium when he least feels like it.

His heroes now play with the logo of Holsten — the West Ger-

man lager company — on their chests (bringing the team £425,000 over 2½ years) and will, if the Tottenham board gets its way, soon be on an elite smaller English super-league to which only big clubs need apply. Tottenham, £4 million in debt a year ago, improved its health by uniquely floating a shares offer on the stock market.

On top of that and prematch family entertainment he never dreamed of, the Spurs fan finds his club promoting U.S. gridiron football games at Wembley and suggesting it's time that lame-duck rival English clubs go part-time. Such rural county cousins as Norwich, which recently put Spurs out of the FA Cup, would be better off playing games among themselves while Tottenham concentrates on Europe.

Arsenal, falling victim to Third Division Walsall and Second Division Middlesbrough to the FA and Milk Cups this season, and Manchester United, humbled by a pair of Third Division pretenders, Bournemouth and Oxford, may wish the little fellows would quietly go away as well.

Ironically, not only did Oxford

help deprive Manchester of £500,000 lost revenue by knocking it out of the cups so early, but the Third Division club's chairman, Robert Maxwell, is now seeking to buy out United lock, stock and paper baron's barrel.

Maxwell, you may recall, has saved Oxford from insolvency. But despite hiring a manager who built a team of unprecedented success at its own level, and despite thumb-screwing long-suffering Oxford fans into paying exorbitant sums to watch the glory games, the publishing millionaire is fed up with Third Division life. He intends to pass Oxford on to his children — and taking the bypass to Europe, Maxwell bid recently for Birmingham, but nothing like as seriously as he now tempts Mario Edwards to Manchester.

And although Edwards had almost a 10-year apprenticeship on the board before taking over England's highest club (when his father Louis, the late chairman, died in 1980), he is unlikely to be a match for wily former MP Maxwell at the negotiating table. Edwards is only 38, and although he pays himself £47,000 a year to run United,

the gigantic spending of his manager, Ron Atkinson, means debts of almost £3 million even in a good year.

The responsibility possibly outweighs the excitement Edwards may feel — his father would certainly have felt it — at the coming of a titanic European struggle with Barcelona. Maxwell's temptation might also quicken conscience pangs Edwards may feel about his declaration when buying £400,000 of new shares in the club in 1978: "It will be purely a recovery of outlay. We certainly do not intend to make cash out of Manchester United."

Edwards and his younger brother Roger could make £6 million by selling their 71-percent holding to Maxwell.

Finally, moving out quite as fast or overtly, is the changing order at Arsenal. The Hill-Wood family has had a major influence on the club since the 1920s. Sir Samuel Hill-Wood, his son Denis and now his son Peter have enjoyed the chairmanship of the marble-halled North London giant, but Peter is experiencing new times in the chair. He sacked a manager just before Christmas and, although at 47 he might ordinarily look forward to another couple of decades at his merchant bank and as the head of Arsenal, the power behind his throne is reportedly said to be David Dein, a 35-year-old London commodity broker.

Having bought £300,000 worth of Arsenal shares and a seat on the board, Dein says: "I'm an action man, not an axman... After my family, Arsenal is my love and my life."

His club this week expects to sign England striker Paul Mariner to activate the expensive acquisitions of Toody Woodcock and Charlie Nicholas; like Tottenham and Manchester United, Arsenal is among a handful of the wealthiest and most ambitious clubs in Europe.

But while transfer fees pour out for no return in on-field success, even the big clubs are financially vulnerable, and thus their positions of power and prestige are up for grabs.

The era of the complacent and patient family control is almost over. It lasted a mere century, and for all its faults was sustained by a love and sense of obligation the incoming landlords might find hard to repeat. Is there any substitute for the family?

Compiled by Our Staff From Dispatches

SARAJEVO — The lighting of the Olympic flame officially opened the XIV Winter Games here Wednesday.

Kosevo Stadium, with a capacity of 60,000, was filled for 90 minutes of ceremony and pageantry that began with the parade of Olympic

## OLYMPIC NOTEBOOK

delegations. By tradition, the Greek contingent led the way and the final delegation was that of host Yugoslavia.

Cross-country Olympian Ivo Cerman skied into the stadium bearing the flame, and his Yugoslav teammate, figure skater Sandra Dubravica, took it up a ramp designed like a ski jump and leading to the huge, bowl-shaped torch. Dubravica trotted up the 34 steps steps while women's precision dance group, dressed in violet ski suits, performed below.

As Dubravica lit the torch, the dancers waved their hands and a loud cheer rose from the spectators. Thousands of balloons filled the skies and Yugoslav president Miro Stipic then opened the Games officially. Transferred from Lake Placid, New York, the setting of the 1980 Games, the Olympic flag was borne horizontally, high over head, by Yugoslavs in white space suits and pairs in the traditional dress of each of the six republics that comprise the state. The flag was hoisted.

"Since 1955 there have been rumors of the Olympics coming here," said 56-year-old Dovi Aziz, a Sarajevo businessman.

"I never dreamed I would see it happen."

Frank Masley, a 23-year-old U.S. luger, was chosen by the individual team captains to carry the American flag in Wednesday's opening ceremonies. Masley finished 28th in the 1980 Olympics and won the national title from 1981 to 1983.

In last month's U.S. Olympic trials he was thrown off his sled in the first singles heat, somehow climbed back and finished 10 seconds behind the leaders. He overcame that nearly impossible handicap in the 11 remaining heats and made the

## Winter Games Officially Open

team. He is also on the doubles team.

Radio Free Europe, which had sought 12 news-media credentials for the Winter Olympic Games, will receive none. The International Olympic Committee said Tuesday.

RFE is financed by the U.S. State Department. The U.S. Olympic Committee had approved the request for accreditation, but the Sarajevo organizers rejected it. The organizers and the IOC offered a compromise that would have allowed five credentials, but RFE rejected that.

With this year's Games in Sarajevo and in Los Angeles and the 1988's set for Calgary and Seoul, the IOC said 12 bids have been received to stage the 1992 Olympics.

The prospective sites of the summer competition are Paris, New Delhi, Barcelona, Stockholm, Brisbane, and Amsterdam or Rotterdam. Nominations to hold the Winter Games have arrived from Finland, Sweden, Lillehammer, Norway, Sofia, Cortina d'Ampezzo, Italy, Berchtesgaden, West Germany, and Nice or the Tarentaise region of France.

Nominations will be accepted until the end of 1985. The IOC will choose the host sites in the fall of 1986.

The computer that registers all athletes has come up with this rundown of vital statistics among the 1,510 who are here:

Oldest Man — Carl Erik Eriksson, Sweden's 54-year-old bobsled driver.

Oldest Woman — Anna Pasariova, 35, a cross-country skier from Czechoslovakia.

Youngest Man — Americo Astete, 16, an Alpine skier from Argentina.

Youngest Woman — Geraldine Bobbio, 15, an Alpine skier from Argentina.

Tallest Man — Alistair Guss, a 6-foot-10-inch (2.08 meters) Alpine skier from Australia.

Tallest Woman — Bibija Kerla, a 6-3 speed skater from Yugoslavia.

Shortest Man — Ros Coates, a 5-3 cross-country skier from Britain.

Shortest Woman — Birgit Lo-

renz, a 4-11 figure skater from East Germany.

Heaviest Man — Hans Stangassinger, 244-pound (110.67 kilos) West German luger.

Heaviest Woman — Bettina Schmidt, 187 pounds, an East German luger.

Lightest Man — Jens Wessloff, 112 pounds, an East German ski jumper.

Lightest Woman — Babette Preussler, 79 pounds, an East German figure skater.

Heavy snow forced cancellation of Wednesday's training run for the Olympic women's downhill on Mt. Jahorina. About a foot and a half of new snow fell and visibility was poor, creating potentially hazardous conditions. The women had three training runs on a good track Monday and Tuesday in preparation for Saturday's medal competition.

Anton Steiner claimed a berth on the Austrian ski team Wednesday by clocking the fastest time in the fourth and final men's downhill training run. Steiner, beating out Harti Weirather for the final spot on the Austrian downhill squad, edged American Bill Johnson by two-hundredths of a second as the skiers geared up for Thursday's medal race — the first Alpine ski competition in the Games.

It was Johnson's second straight second-place training finish after winning Sunday's run.

The Organization of International Radio and Television, a group of 16 communist nations, including the Soviet Union, has signed a television contract with the Los Angeles Olympic Organizing Committee for the upcoming Summer Games.

The contract, making formal an agreement reached last August, was signed here, a spokeswoman for the Los Angeles Olympic Organizing Committee said Wednesday.

LAOC President Peter Ueberroth had reached the agreement, calling for the OIRT to pay \$3 million, during a trip to the Soviet Union last August. The contract's signing was widely taken as another strong indication that the Russians intend to participate in the Games in Los Angeles. (NYT, AP)

## U.S. Hockey Team, Irked by Comparisons, Struggles in Sarajevo

By Dave Anderson

New York Times Service

SARAJEVO — Even before the Olympic torch was lit Wednesday, the United States hockey team's miracle of Lake Placid has suddenly dissolved into the struggle of Sarajevo.

To be fair, it is hardly the same case that put the nation on ice for more than a week by winning the 1980 gold medal.

The coach, Lou Vairo, was a court for Herb Brooks on the 1980 team. Only two players, Phil Ver-

chota and John Harrington, were on that team. And after a dreary 4-2 defeat by Canada in the Winter Olympics opener Tuesday, this team has already lost more games than the 1980 team.

"It annoys me when people keep referring to what the 1980 team did," Verchota said after the loss. "This team has to be measured on its own merits."

"The references to the 1980 team aren't very accurate. This is a totally new team."

Unless the United States upsets Czechoslovakia Thursday, it will have little chance of qualifying for

next weekend's games that will determine the medal-winners. To qualify for the medal round, a team must finish first or second in its six-team division. Czechoslovakia is expected to win the Group B with the Soviet Union and Sweden expected to advance easily from Group A.

"I thought our game with Canada would be a tossup," Vairo said. "I thought it would be decided by one goal."

In retrospect, it was — a tip-off after only 27 seconds by Pat Flatley, a husky 20-year-old right wing who will join the New York Islanders when the Olympic tournament is over.

"That first goal was a very strong psychological factor," Vairo said. "After that, it seemed we were skating uphill all day."

Canada's team, meanwhile, appeared to be skating downhill in organizing its shots at goalie Marc Behrend, who never recovered from that quick goal. Even in making his few good saves, he appeared unsure and rigid, exactly the opposite of Jim Craig, his 1980 counterpart.

For a team to win a championship at any level, it needs a hot goaltender, as Craig was at Lake Placid, as Billy Smith has been during the Islanders' four-year Stanley Cup reign.

Canada had the hot goaltender Tuesday in Mario Gosselin, whose Olympic eligibility had survived a foul claim by U.S. officials. Although he has signed a National Hockey League contract with Quebec, he was cleared to compete here because he had never appeared in an NHL game, as was his teammate Dean Wood, a forward signed by St. Louis.

Two Canadians who had played briefly in the NHL, Mark Morrison and Don Dietrich, were withdrawn.

"I don't think it had any effect on us," Vairo said of the eligibility controversy that flared for more than a week. "But it might have worked in favor of Canada."

If nothing else, it turned Morrison into a cheerleader for Canada's team. Before the game, he told Gosselin to "just play the game you

usually play and we won't be in trouble."

Afterward, he congratulated the little goaltender, who had made 37 saves.

Canada's "show 'em" spirit was obvious. The Canadians skated with a purpose the U.S. team never displayed. Canada's coach, Dave King, also outsmarted Vairo by ordering Dave Tippet, the Canadian captain who was on North Dakota's 1982 national collegiate champions, to shadow Pat LaFontaine, the touted center.

"The shadowing was effective," Vairo acknowledged, "but Pat didn't jump on some of his scoring opportunities like he usually does."

David A. Jensen, the 18-year-old right wing, scored both U.S. goals, with LaFontaine, another future Islander, collecting an assist.

"Pat didn't get frustrated by the shadowing," said Jensen, who is expected to join the Hartford Whalers before returning to Lawton Academy for his diploma.

"You didn't see the best of Pat LaFontaine, but you will, I think."

While the Canadians were losing three games to West Germany in their final Olympic tuneup, Tippet shadowed Erich Kuehnackel, the West German center.

"I told Dave then to make believe he was shadowing LaFontaine in order to find out if he thought he could be comfortable doing it in this game," King said. "When you use a shadow, you can give up things. Sometimes you lose that defensive support that the player you're using as a shadow normally gives you. Not that the U.S. is a one-line team, but that line hurt us all year."

In 12 games during the pre-Olympic schedule, the United States had a 5-4-3 edge over Canada, which won only 18 of its 55 games.

"When we saw Tippet shadowing Pat," Vairo said, "we told Pat to try to shadow one of their players and hopefully tie up two of their players that way. But it didn't help."

In 1980, the United States salvaged a 2-2 tie with Sweden in its opener, then stunned Czechoslovak-

## HOCKEY

GROUP A	W	L	T	Pts	GF	GA
Soviet Union	1	0	2	12	1	1
Sweden	1	0	2	11	2	1
West Germany	1	0	2	8	1	1
Italy	0	1	0	3	1	1
Poland	0	1	0	1	1	12
Yugoslavia	0	1	0	1	1	1

GROUP B	W	L	T	Pts	GF	GA
Canada	1	0	2	4	2	2
Czechoslovakia	1	0	2	4	2	2
Finland	1	0	2	4	3	3
Austria	1	0	2	3	3	4
Norway	0	1	0	3	1	12
United States	0	1	0	2	4	2

Finland & Austria 2	Sweden & Canada 2	United States 2
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Finland & Austria 2	Sweden & Canada 2	United States 2
Finland 4, Austria 2	Sweden 4, Canada 2	United States 2, Poland 1

Finland & Austria 2	Sweden & Canada 2	United States 2
Finland 4, Austria 2	Sweden 4, Canada 2	United States 2, Poland 1

Finland & Austria 2	Sweden & Canada 2	United States 2
Finland 4, Austria 2	Sweden 4, Canada 2	United States 2, Poland 1

Finland & Austria 2	Sweden & Canada 2	United States 2
Finland 4, Austria 2	Sweden 4, Canada 2	United States 2, Poland 1

## NHL Standings

Patrick Division						
	W	L	T	Pts	GF	GA
NY Islanders	24	20	2	70	246	198
NY Rangers	21	16	4	68	222	208
Philadelphia	28	16	4	85	232	199
Washington	30	21	4	68	238	171
Pittsburgh	11	37	5	27	166	227
New Jersey	11	29	27	149	229	
Adams Division						
Boston	35	16	3	73	240	204
Calgary	26	23	6	53	216	214
Quebec	29	20	6	64	225	214
Montreal	26	25	5	57	213	202
Hartford	10	28	4	44	188	225
Campbell Conference						
Maritime Division						
Minnesota	29	21	4	62	248	208
St. Louis	22	29	6	49	224	226
San Jose	29	21	4	66	195	215
Detroit	18	31	4	42	195	241
Toronto	17	31	6	40	203	268
Sevens Division						
Edmonton	29	11	5	83	216	214
Calgary	22	20	11	55	204	204
Winnipeg	20	24	9	49	222	225
Chicago	26	24	9	59	214	232
Los Angeles	12	27	11	43	227	251

**Tuesday's Results**  
Vancouver 4, Quebec 2 (Sundstrom 2 (27),  
Gradin (11), Tanti (26); Hunter (22), Pale-  
ment (29)).

Hartford 4, Detroit 1 (Johnson (28), Francis  
(16), Yurgen 28, Malone 11; Foster (4)).

13), Turgeon 28, Malone 11; Foster 141.  
 Montreal 5, New Jersey 2 (Lafleur (22), Wal-  
 ter 119), Gainey 112), Naslund (23), Luchwa  
 (5); Bridgman 131, Antonovich 131.  
 N.Y. Islanders 5, Edmonton 3 (Probyn 2 115).

R.Y. Islanders 3, Edmonton 3 | Pulvin 2 | 157,  
Tonelli 191, Gillies 191, Garing 191; Hunter  
117, Huddy 161, Chartrow 121.  
Category 2, St. Louis 1 | Pepinski 191, Kramm  
151; Sutter 122).



